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When Asians Put Islam To Work for Development

Indonesia and Malaysia Create Prosperity to Restrain Radicalism

By Michael Richardson
International Herald Tribune
JAKARTA — Indonesia and Malaysia, seeking new ways to avoid the human and economic costs of sectarian strife, have emerged as models for Muslim nations that want to modernize rapidly to compete with the West.
 While remaining under pressure to make greater concessions to Islam, secular governments in both countries appear to have defused demands for more extreme action, including creation of an Islamic state.
 Instead, by keeping religion largely out of politics and harnessing Islamic values for national development objectives, Indonesia and Malaysia have restructured their economies. They have mobilized huge amounts of invest-

Starting Over

Restructuring businesses and economies.

A continuing series of articles.
 ment capital and loans in recent years for industrialization, employment, technology transfer and rapid growth.
 "This represents a different kind of Islam that the Western world knows little or nothing about," said Douglas E. Ramage, a visiting Fulbright scholar who has been studying the role of religion in Indonesia.
 He said that the moderate, nonconfrontational Islam of Indonesia and Malaysia, if coupled with continued economic dynamism and increasing political openness, would help to combat Western stereotypes about Muslims caused by religious and political extremism in the Middle East and North Africa.
 An example of such problems is Algeria, where the socialist government failed to take effective steps to diversify the economy when oil prices collapsed in the 1980s. The result was growing unemployment, hardship and frustration that provided a breeding ground for Islamic extremists. They are now locked in conflict with the Algerian government, undermining prospects for economic recovery.
 Indonesia, with a population more than seven times Algeria's, also used to be heavily dependent on petroleum for export income and state revenue.
 But as oil prices plummeted, the Indonesian See MUSLIMS, Page 15



A Bosnian Muslim soldier collapsing in Mosser, Bosnia, after seeing the body of his son, who was killed during an artillery attack.

U.S. Envoy Derides Tokyo on Trade

By James Sterngold
New York Times Service
TOKYO — The American ambassador to Japan on Thursday described Japan's efforts to depict itself as a champion of free trade as "propaganda" that would only strengthen the Clinton administration's resolve to use market-share targets to open Japan further to imports.
 The ambassador, Michael Armacost, said in an interview in his office that he admired the "chutzpah" represented by Japan's efforts and added that in some ways he welcomed Japan "tooting" itself as a champion of free trade, because "it goes without saying that those who wish to enjoy that reputation will be held accountable to a higher standard of conduct."
 Mr. Armacost, a highly regarded career diplomat, is expected to complete his tour of duty in Tokyo this summer, after four years, and to be succeeded by former Vice President Walter F. Mondale. Reflecting on his time in Japan, he said he was pleased at how well the two nations had managed the array of tough security and political issues that had followed the end of the Cold War.
 He was open, however, in his frustration over the fact that years of negotiated agreements and promises on the part of the Tokyo government had produced only a temporary reduction in Japan's trade surpluses, which are once again soaring to record levels. Its surplus for April, reported last week, was \$11.27 billion on the current account, which is the broadest measure of trade.
 Mr. Armacost characterized Japan's harsh criticism of the United States' demands for a new approach to trade as little more than an attempt to deflect attention from these massive surpluses.
 "I hope people are not being too persuaded by some of the PR that's been flowing so freely recently, which is designed to dismiss the

In First Commitment, U.S. Offers 300 Troops For Macedonia Force

By John M. Goshko
Washington Post Service
ATHENS — The United States, seeking to counter complaints that it has failed to assert leadership in the Balkans crisis, offered Thursday to send 300 U.S. soldiers to Macedonia to guard against widening of the war and won NATO's agreement to use air power to protect United Nations forces in Bosnia.
 The U.S. offer to put observers in Macedonia was announced by Secretary of State Warren M. Christopher at the spring meeting here of North Atlantic Treaty Organization foreign ministers.
 Mr. Christopher said the U.S. observer force, which would consist of a reinforced infantry company, would serve as a deterrent against the threat of Serbia invading Macedonia. Pentagon officials said the troops could be deployed within two weeks.
 In a more sweeping attempt to demonstrate that the United States remains committed to close partnership with Europe, Mr. Christopher won acceptance for a proposal from President Bill Clinton to hold a NATO summit meeting before the end of the year. He also reiterated that Mr. Clinton hoped to meet again with President Boris N. Yeltsin of Russia this year.
 These U.S. gestures came against a background of charges that the Clinton administration has been retreating steadily from the promises of its first weeks in office to take an activist role in resolving the Bosnian civil war. Recent remarks by Undersecretary of State Peter Tarnoff also triggered widespread concern in Europe that the administration was turning inward and seeking to transfer a greater share of global responsibilities to its allies.
 "I think our moral authority is intact," Mr. Christopher said when asked about these matters at a news conference Thursday. "I have no doubt about the world's understanding that the United States carries its fair share — and in some cases much more than its fair share — of the world's burdens."
 Nevertheless, he was peppered by questions implying that the latest U.S. moves were largely cosmetic gestures that will not have any real effect on the situation in the former Yugoslavia.
 One questioner implied that the U.S. position was "spineless." Others, while more polite, pressed Mr. Christopher repeatedly on why the United States was willing to send troops to Macedonia, where they would be 80 kilometers miles from any fighting, while insisting that American involvement in the Bosnia conflict be limited to air power rather than any commitment of ground troops.
 The NATO secretary-general, Manfred Wörner, also drew attention Thursday when he admonished the member countries for not

Convoy Raid Endangers New Bosnia Cease-Fire

Bosnian Croat and Muslim commanders signed a sweeping cease-fire agreement for central Bosnia-Herzegovina on Thursday, but the new truce was soon threatened as a private aid convoy was attacked and looted near the central Bosnian town of Novi Travnik.
 Scores of cease-fires have dissolved during the 14 months of fighting in Bosnia-Herzegovina, but the agreement Thursday appeared to have more authority than the others. (Page 5)

May 22 meeting in Washington at which European foreign ministers decided to try to establish "safe havens" for Bosnia's beleaguered Muslims. The United States declined to offer American troops for the augmented UN peacekeeping forces that would be required to guard the safe areas. But it agreed that U.S. warplanes should fly air strikes to protect the UN troops if they were attacked and requested help.
 Earlier this week, a senior U.S. official said that the United States wanted other NATO countries to join in this air protection operation. The NATO ministers endorsed that idea Thursday. NATO sources said they expected those countries working with the United States to enforce an air exclusion zone over Bosnia — Britain, France, Italy, the Netherlands and Turkey.
 See TROOPS, Page 5



FROM VICTORY TO VANDALISM — A man throwing a piece of electronics equipment onto a television truck in Montreal in rioting that broke out after celebrations of the Canadiens' Stanley Cup hockey victory over the Los Angeles Kings. Page 17.

Jolly old England wasn't laughing Tuesday after its soccer team had been thrashed by — say it isn't so — the United States. Page 16.
The one-two punch of Michael Jordan and Scottie Pippen floored Phoenix as Chicago took a 1-0 lead in the NBA final. Page 17.

Iraq Bars UN Monitoring

UNITED NATIONS, New York (AP) — In another showdown with the United Nations, Iraq is refusing to allow UN weapons inspectors to install surveillance cameras at missile test sites.
 Tim Trevan, a spokesman for the UN Special Commission overseeing the dismantling of Iraq's weapons of mass destruction, said the team had planned to put the cameras on rocket motor test stands at facilities known as Yawn al Azim and Al Rafid, south of Baghdad.
 But the team has not left Baghdad for the sites because the government is refusing to allow the work.
General News As Clinton retreated on his energy tax, he tried to buck up disgruntled Democrats. Page 3.
Business/Finance Oil prices fell after Kuwait rejected a new OPEC accord on output. Page 11.

Dow Jones	Trib Index
Down 20.21	Up 0.42%
3,491.72	108.72
The Dollar	
New York	1.6285
DM	1.633
Pound	1.5195
Yen	106.05
FF	5.4775
Book Review	Page 9.
Bridge	Page 9.

Clinton Urges NATO Summit on Crises

By Joseph Fitchett
International Herald Tribune
PARIS — Seeking to restore the battered authority of the Western alliance and U.S. leadership in it, President Bill Clinton called Thursday for a summit meeting of the North Atlantic Treaty Organization this year to discuss ways to improve cooperation in handling crises in Europe similar to the bloody demise of Yugoslavia.
 Announcing the proposal in Athens at a meeting of NATO foreign ministers, Secretary of State Warren M. Christopher indicated that Mr. Clinton would also meet President Boris N. Yeltsin of Russia around the time of the proposed NATO summit talks.
 A prompt denial came from the White House that the next U.S.-Russian summit talks would coincide with the NATO session. But Mr. Christopher's comments reinforced an impression that the Clinton administration was seeking a higher and better diplomatic profile.
 By launching a new agenda for NATO consultations, an alliance official said, Washington hopes to fill "an international power vacuum" left by the debacle in Bosnia, which has triggered fears in allied capitals that Western credi-

In Somalia, Both Sides Brace for Attack

By Keith B. Richburg
Washington Post Service
MOGADISHU, Somalia — Abdullahi Mohamed Shirwa appeared calmly defiant as he sat behind his desk at a radio station that was considered a possible target of an expected military assault by United Nations troops on the militia of one of Somalia's chief warlords.
 "The people are now preparing to fight," said Mr. Shirwa, the warlord's main representative at the radio station, which has been airing anti-UN broadcasts.
 UN peacekeeping forces, he said, "are the ones preparing for a confrontation."
 "They are the ones preparing for a war," he said.
 As other Somalis in his office coddled in agreement, he added, "The Somali people will not give up. The last man will react. We don't want to become a new colony."
 American and UN military officers warned foreign-aid workers in Mogadishu this week to expect the assault within days, to be launched in retaliation for Saturday's guerrilla-style ambushes here that left 23 Pakistani soldiers dead and more than 60 others wounded, including two Americans.
 As Mr. Shirwa spoke, UN diplomats were vacating their office compound and moving into trailers on the heavily fortified U.S. Embassy grounds, now the UN military headquarters.
 Officially, the move is called a "consolidation" of UN civilians and military officials into one compound. But the real motive, according to a UN official, is fear of reprisal attacks or mob violence against UN installations by Somalis should fighting break out. Most of the 15 remaining foreign relief workers here also have moved onto the military compound.
 "We're not out to kill anybody," said Jonathan T. Howe, the retired American admiral who is the UN special representative for Somalia. But he added that the United Nations was committed to prosecuting the perpetrators of the ambushes.
 The warlord blamed for the attacks, General Mohammed Farrah Aidid, has remained defiant, refusing to acknowledge that his militia-men were responsible for the ambushes and repeating his charge that the Pakistanis started the bloodshed.
 At the radio station — commonly referred to as "Radio Aidid" — barricades were erected along most of the main approach roads, and Aidid sympathizers expressed an angry willingness to take up arms and fight even against the bloodshed.
 See SOMALIA, Page 5

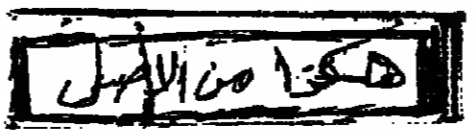
In Upside-Down Albania, a Soulless Age Lies Defeated

By Henry Kamm
New York Times Service
TIRANA, Albania — If Enver Hoxha, the dictator of Albania for more than 40 years, is turning in his monumental grave on a hillside above this capital, it would not be surprising.
 On the steps of the spectacular marble-and-glass structure resembling a winged pyramid that was built to honor the man who made Albania the only country that outlawed religion, men and women who said they came from the Foursquare Gospel Church of Los Angeles were lying hands on crippled limbs, blind eyes and aching bodies the other day, and with many a "Praise the Lord!" and "Hallelujah!" prayed for healing.
 True, the police barred their way into the building on the ground that the crowd seeking to enter was too big for the former Hoxha Museum, now the Hall of International Culture. And the police finally made the members of various groups of reborn Christians from the United States, Canada, Romania and the Netherlands, who held several days of meetings devoted to healing through faith, disperse from the steps.
 But their outdoor rallies met no obstacles, and the many lame and blind who gathered at the former shrine of atheism proved by their presence the effectiveness of religious propaganda in post-Communist Albania and the completeness of the break with the past. The gatherings also bore witness to the inadequacy of medical services in this deprived country.
 Albania's last census, before the Italian invasion of 1939, showed the population to have been 70 percent Muslim and virtually all the rest Orthodox or Roman Catholic. Religious practice in this country of 3.2 million people is reviving today, most Albanians questioned say they consider themselves nonpracticing Muslims.
 Many here still call the six-lane Boulevard of the Martyrs of the Nation, on which the former museum stands, "Stalin Boulevard" because of the larger-than-life statue of the dictator that adorned it. Today, a privately owned coffee bar has been erected in front of it, hiding its empty pedestal. Across the street, where Lenin's likeness once towered, the pedestal has been decorated with a tribute from a spray can to Pink Floyd.
 The boulevard runs through the center of this city of 200,000 from the vast square on which stands the Tirana Hotel, a grim example of the massive Communist architecture of the 1960s, to the university, a specimen of the fascist style that dominated in the 1930s.
 In the Communist decades, the broad avenue about half a mile long was the image of Mr. Hoxha's Albania. There were the statues and soulless buildings housing the all-powerful party leadership, the government, the presidency

A Paradise Lost for Tahitians?

Income Tax Will Be Islanders' Price of Progress

By Reuters
PAPEETE, Tahiti — For the first time in its history, Tahiti will have an income tax. Although it may look like paradise in the tourist brochures, the Pacific island has no social welfare system, few decent roads and a chronic lack of housing and health care for its 97,000 people.
 It is part of French Polynesia, a French Overseas Territory.
 The government of French Polynesia decided Wednesday to set up a "territorial solidarity fund" to address these issues.
 The price of "territorial solidarity": new taxes on wine, gasoline and telephones, a 10 percent levy on unearned revenue and a modest dash of income tax.
 The announcement had the effect of a bombshell, a local journalist said.
 But income tax rates will not be higher than 3 percent, and anyone earning less than 5,500 francs (\$1,000) a month will not be taxed.
 The government hopes the new measures will raise 165 million francs in 1993.



WORLD BRIEFS



HARVARD CONFRONTATION — General Colin L. Powell, right, found himself in tense debate Thursday about homosexuals in the military when he arrived at Harvard University to speak at graduation ceremonies. The Joint Chiefs of Staff chairman was challenged by a graduating student with "Lift the Ban" on his mortar board and some students with pink balloons.

Major Tries to Weather Storm To Markets, Lamont's Critique Is No Surprise

By Erik Ipsen International Herald Tribune LONDON — Many Conservative members of Parliament insisted Thursday that Prime Minister John Major would weather a broadside that he received in the House of Commons from his former chancellor of the Exchequer, but there was a growing sense that time may be running out and that one more nasty surprise could result in his removal from office.

Adding to Mr. Major's difficulties is the fact that the Conservatives face almost certain defeat in a by-election next month to fill a vacant seat in the Commons. A loss would further erode the Tories' thin parliamentary majority, and would mark another public humiliation for the man who ranks as the least popular British prime minister in polling history.

Following the withering critique Wednesday of his government by the chancellor he dismissed, Norman Lamont, Mr. Major returned Thursday to the Commons determined to demonstrate that, contrary to Mr. Lamont's assertions, he was not only "in office" but also "in power."

In answer to a question about Mr. Lamont's accusations, the prime minister said simply that he had "no intention to add what was said yesterday." He played down the matter as a "little local difficulty" and to assert, "I am going on with the work as usual."

Mr. Major's allies, meanwhile, tried to dismiss Mr. Lamont's remarks as the understandable — although not necessarily forgivable — remarks of a dismissed official. The Conservative Party chairman, Norman Fowler, said, "I am not going to take it from Mr. Lamont." The influential 1922 Committee of Conservative backbenchers rallied Thursday behind Mr. Major after a meeting that included Mr. Lamont.

"They were unanimously agreed Mr. Major would receive our 100 percent support in the future," Sir Marcus Fox, chairman of the committee, said afterward, adding, "The comments without exception supported the prime minister. John Major is our prime minister and will remain our prime minister."

Mr. Major defended his record by pointing to his successes in reducing inflation, cutting interest rates and restarting the economy.

Britain is now on track to achieve what he insisted would be the highest growth rate in Europe not only this year but also next year.

The problem for Mr. Major is that much of the credit for Britain's brightening business prospects will now fall into the lap of the new chancellor, Kenneth Clarke. Mr. Clarke's strong performance in the Commons on Wednesday was the solitary bright spot for the government in an otherwise bleak day.

The financial markets were largely unimpressed by the charges of government incompetence if for no other reason than they were widely seen as restatements of the painfully obvious.

Ever since Britain's humiliating retreat from the exchange-rate mechanism of the European Monetary System in September, economists had maintained that economic policy was long on short-term political pragmatism and short on long-term direction and definition.

The prime minister's inability to make hard choices has long been well known," said David Smith, an economist with the brokerage Williams de Broe.

In the City of London, however, analysts expressed concern over the impact of the latest political tussle on foreign investors' sentiments.

A British banker said that he already detected a weakening interest from Japanese investors who in recent weeks have been large-scale buyers of pound-denominated bonds.

Investors who in recent months had been bullish on the pound now are having second thoughts. Paul Chertkow, the head of currency research in London for Union Bank of Switzerland, said he had been forecasting that the pound would rally to 2.55 Deutsche marks by the end of the year and go even higher next year.

"Now I am in the process of questioning that view precisely because of the political problems we are seeing on our television screens," he said.

By Lawrence Malkin International Herald Tribune NEW YORK — American Express said Thursday that it was moving "as quickly as possible" to end the anomaly that excludes perhaps 100,000 cardholders outside the United States from its frequent flyer program, but it refused all requests for elaboration of when and how that would happen.

In response to requests in New York and Paris to speak to senior officials about the fact that cardholders who live outside the United States and prefer to be billed in dollars are not covered by the Membership Miles program, an American Express spokesman issued a statement "representing the views of senior management."

For every dollar or equivalent spent by a cardholder on his American Express card, the Membership Miles program puts one mile of free airfare travel into the frequent flyer program of a cardholder's choice. The program has just been introduced in France for cardholders who are billed in francs, and is also available in Mexico and Australia.

In the United States, where the program began in 1991, cardholders must spend \$5,000 before being able to transfer the free miles to a frequent flyer program. These include the programs of Continental, Delta and Northwest and their international affiliates, which include Alitalia, Japan Air Lines, KLM Royal Dutch Airlines, Lufthansa, SAS and Swissair.

Noting that dollar cardholders who are billed abroad are not covered by the program, the statement said that American Express "is working hard to make that possible."

The statement continued: "It is, however, a complicated matter. We are collaborating with our airline partners to resolve systems, regulatory, and contractual issues in order to do so as quickly as possible without compromising our high service standards."

Cardholders living abroad who are billed in dollars are often business executives who prefer such billing because they are paid in dollars and settle their expense accounts in dollars through multinational companies that do intercompany business in dollars.

Travel specialists in the United States seemed puzzled about the impact of the financial officer at a billion-dollar U.S. multinational in New York City: "I just have them bill you at a your company's American address and have them forward the bill abroad in the company's interoffice mail."

One cardholder, however, was caught unaware when he switched his account to sterling in order to bill a client in Britain.

Theodore Schlissel, president of the Equity Information Corporation in London, said that he did not realize that he would lose his Membership Miles privileges when he converted his U.S. American Express Gold Card to a sterling-based Green Card. He ran up \$30,000 in charges on the card before realizing his mistake, and asked American Express to consider giving him the air mileage credits anyway by way of "equitable treatment."

Mr. Schlissel wrote to the American Express Travel Related Services center in Greensboro, North Carolina, earlier this month, stating that "a customer just assumes that American Express is American Express," no matter where.

The center replied in a letter, reminding him that to be eligible to participate in Membership Miles accounts must be billed to a U.S. address in U.S. dollars from an American Express Operations Center in the United States. The letter informed him that "as a courtesy, we have issued a mileage adjustment of 5,000 miles toward your existing Membership Miles account" but declined to honor the request for mileage on the British billing account.

U.K. Assures Hong Kong on Passports

LONDON (AP) — Home Secretary Michael Howard said Thursday that Britain had agreed to allow all Hong Kong residents to keep their present British passports until 1997, when the colony reverts to Chinese control.

That means a citizen of Hong Kong currently holding the British Dependent Territories Citizen passport will not be forced to surrender it when applying over the next four years for the new British National (Overseas) passport.

Hong Kong people have been concerned that the new passport will not be as widely recognized as the old. But a Home Office spokeswoman said Austria is the only country that does not recognize the new document.

Both passports are used as travel documents, but only the new one will be valid after 1997. Neither gives the holder the right to settle in Britain.

China Faults Others' Asylum Policies BEIJING (Reuters) — China asserted Thursday that other countries' liberal asylum policies helped cause problems like the arrival of nearly 300 illegal Chinese aliens aboard a freighter that ran aground Sunday off New York City.

"Some of these people who have illegally entered other countries' territory have asked for political asylum, and certain governments have gone so far as to grant asylum to those people," said the Foreign Ministry spokesman, Wu Jianmin. "That has actually worked to encourage illegal emigration."

Mr. Wu repeated China's assertion that illegal immigration was an international problem requiring international cooperation. He said China was determined to stamp out its illegal flow of emigrants and had taken measures to do so.

Rafsanjani Is Set for 2d Term in Iran TEHRAN (Reuters) — President Hashemi Rafsanjani is widely expected to crush his three Islamic rivals and win a second term when 29 million Iranians vote Friday in presidential elections.

The main question is whether the 59-year-old president, who won a reputation for pragmatism during his first four-year term, will win a decisive endorsement to push through his free-market reforms while facing up to mounting U.S. hostility.

Iranian analysts and Western diplomats rule out an upset by the relatively unknown challengers who are short on political experience. Mr. Rafsanjani has the backing of almost all sections of the Islamic hierarchy that has ruled since Iran's 1979 revolution. Only radicals annoyed by defeat in last year's general elections have failed to endorse him.

Drug Figure Held in Mexican Killing MEXICO CITY (Reuters) — One of the country's top suspected drug barons, sought in the slaying last month of a Roman Catholic cardinal, has been arrested in a joint operation by Mexican and Guatemalan police, officials said Thursday.

Josquin Guzman Loera was handed over to the Mexican police by Guatemalan authorities Wednesday and immediately arrested, Attorney General Jorge Carpizo said on national television. He said that Mr. Guzman, the reputed head of the powerful Sinaloa drug cartel, had fled to Guatemala after Mexican police detected his presence in southern Chiapas state near the border between the two countries on May 31.

The attorney general called the arrest a "very important element" in the investigation of the May 24 slaying of Cardinal Juan Posadas Ocampo, archbishop of Guadalajara. Government officials say Cardinal Posadas was killed in a bungled "hit" at Guadalajara airport by the Tijuana cartel against Mr. Guzman.

Clash Marks Start of Rights Session VIENNA (AP) — A delegate from the World Jewish Congress and the head of a Palestinian women's organization clashed Thursday as 2,000 human rights activists from around the world gathered in Vienna for a conference.

Nongovernmental human rights organizations opened their meeting four days ahead of the United Nations' largest-ever gathering on rights. Chants of "Palestine, Palestine" rang through the hall of the gathering as a World Jewish Congress delegate, John Lack, stormed to the podium to interrupt a speech by Issam Abdel-Hadi, head of the Union of Palestinian Women.

Mr. Lack said he acted because the Palestinian broke convention rules holding that speakers should not advance their own or national interests. The conference chairwoman, Albertina Sisulu of South Africa, wife of the ANC activist Walter Sisulu, eventually restored order in the hall and the Palestinian representative resumed speaking.

Venereal Infections Raise HIV Risk

By Lawrence M. Altman New York Times Service

BERLIN — Evidence is mounting that the risk of acquiring HIV, the virus that causes AIDS, is significantly increased among people who have other sexually transmitted diseases, researchers said at the Ninth International Conference on AIDS here Thursday.

Use of newer laboratory techniques in the last year has led to confirmation of the link made in a number of earlier epidemiological studies in different areas of the world. Dr. Marie Laga, of the Institute of Tropical Medicine in Antwerp and an AIDS expert, said at the meeting.

The World Bank will soon issue a report saying that treatment of sexually transmitted diseases is at the top of the list of cost-effective health measures.

And the World Health Organization says that there is enough convincing evidence in the face of the alarming spread of HIV through much of the world to begin a major effort to reduce the number of sexually transmitted diseases to help control AIDS.

The impact of the effort would be greatest in developing countries where the incidence of sexually transmitted diseases is generally high due to the lack of antibiotics, diagnostic tests, clinics and effective public health programs.

Not to launch a full-scale attack on sexually transmitted diseases to control AIDS would be "public health malpractice," Dr. Lars Kallings, a World Health Organization official, said in an interview.

"Treating sexually transmitted diseases is one of the few things we can do without the need to invent anything because we have the drugs," he added.

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In the City of London, however, analysts expressed concern over the impact of the latest political tussle on foreign investors' sentiments.

A British banker said that he already detected a weakening interest from Japanese investors who in recent weeks have been large-scale buyers of pound-denominated bonds.

Investors who in recent months had been bullish on the pound now are having second thoughts. Paul Chertkow, the head of currency research in London for Union Bank of Switzerland, said he had been forecasting that the pound would rally to 2.55 Deutsche marks by the end of the year and go even higher next year.

"Now I am in the process of questioning that view precisely because of the political problems we are seeing on our television screens," he said.

Andreotti Paves Way for Murder Inquiry

Reuters

ROME — Former Prime Minister Giulio Andreotti formally asked the Italian Senate on Thursday to lift his parliamentary immunity so he could be investigated on possible murder conspiracy charges.

Mr. Andreotti, 74, who has denied any involvement in the killing 14 years ago of a journalist, Mino Pecorelli, made the request in a letter to the panel that will recommend to the full chamber whether the immunity should be lifted.

The head of the Senate panel, Giovanni Pellegrino, said he appreciated Mr. Andreotti's gesture because it would facilitate the Senate's task. The panel is to meet next week.

Rome magistrates want Mr. Andreotti's immunity lifted so they can continue an investigation into whether he may have requested the killing of Mr. Pecorelli to block the publication of potentially damaging information.

The magistrates' request, made Wednesday, said they wanted to further investigate accusations that Mr. Andreotti had been involved in "premeditated murder in collusion with others."

Mr. Andreotti said he had no connection with Mr. Pecorelli's death. He again accused Mafia trustees of orchestrating a smear campaign against him in retaliation for crackdowns against organized crime by governments he headed.

"This is a bitter cup which is too difficult to drink," he said.

The Senate, of which Mr. Andreotti is a life member, has already lifted his immunity so he can be investigated on suspicion of conspiring with the Mafia.

Mr. Pecorelli was shot in 1979 outside the Rome offices of his magazine, Osservatore Politico. The magazine thrived on gossip fed by one of Mr. Andreotti's secret critics in the secret service, the late General Vito Miceli, and was widely believed to be a means of blackmailing politicians and business executives.

At the time of the killing, the magazine was preparing an issue featuring Mr. Andreotti on the cover and asserting that his faction of the Christian Democratic Party had received bribes from business executives hoping to win lucrative public-work contracts.

The case against Mr. Andreotti is partially based on allegations by a Mafia turncoat, Tommaso Buscetta. He told magistrates interviewed in Florida earlier this year that Mr. Andreotti had asked for Mr. Pecorelli to be murdered.

Meanwhile, Italian police struck twice at the Mafia on Thursday, arresting two associates of Salvatore (Totò) Riina, the reputed "boss of bosses" of the Sicilian mob, and rounding dozens of other suspects.

In an separate operation centered around Milan and in the southern region of Puglia, the police made dozens of arrests and served fresh warrants on scores more people in jail. Most were suspected of Mafia association or crimes including murder, extortion, and trafficking of arms and drugs.

Israel Sets Aside Disputed Loan

By David Hoffman Washington Post Service

JERUSALEM — Two-and-a-half years after Israel urgently asked the United States for guaran-

tees for \$10 billion in loans to help absorb immigrants from the former Soviet Union, economists and former government officials are saying the country may not need the money after all.

The request touched off a bitter political struggle between the prime minister at the time, Yitzhak Shamir, and the Bush administration over Jewish settlement in the occupied territories and helped cause Mr. Shamir's defeat in the election last June.

Israel finally won the guarantee last year, and recently raised the first \$1 billion on Wall Street.

The money is on deposit at the Bank of Israel, but the government is not rushing to spend it. Israel also has decided to wait at least until the fall to borrow the next \$1 billion. Outside experts, including

the head of the Bank of Israel under Mr. Shamir's government, say there is now little need for it.

"With today's conditions, there is no need for the import of capital," said Michael Bruno, who was governor of the Bank of Israel when Israel first requested U.S. loan guarantees.

Israel asserted that the guarantees were essential to absorb vast numbers of Jewish immigrants, especially to provide housing for them.

When it first asked for the loan guarantees, Israel overestimated the level of immigration from the former Soviet Union. When the \$10 billion figure was conceived, Israel expected 1 million new immigrants within a few years. Only about half that number have come since late 1989.

The interview provoked criticism by the rightist opposition, which accused the prime minister of offering the Palestinians more concessions in advance of a new round of Middle East peace talks set to begin in Washington on Tuesday.

"This is a symptom of the downward slide toward conceding the entire territory," said Benjamin Netanyahu, the Likud party leader.

In a Mideast First, Palestinian Paper Interviews Rabin

New York Times Service

JERUSALEM — In the first interview given by an Israeli leader to a Palestinian newspaper, Prime Minister Yitzhak Rabin was quoted Thursday as saying that members of the U.S. Congress may sponsor future elections that would be held under Palestinian self-rule in Israeli-occupied territories.

Mr. Rabin also said that Arabs in East Jerusalem may be allowed to vote in these elections. Such a shift would be significant since Israel views Jerusalem as the country's unified capital. He added, however, that Palestinian residents of the city, even if given the vote, would not be able to run for office.

The interview provoked criticism by the rightist opposition, which accused the prime minister of offering the Palestinians more concessions in advance of a new round of Middle East peace talks set to begin in Washington on Tuesday.

"This is a symptom of the downward slide toward conceding the entire territory," said Benjamin Netanyahu, the Likud party leader.

Police officers and soldiers bearing automatic rifles at the ready kept pedestrians at respectful distances from the houses of power. The rare cars in a country that had no privately owned vehicles conveyed the leaders between villas and offices. Curtains held them from view.

The buildings still stand, and armed soldiers still guard the ministries. But they no longer inspire awe. Soldiers at the Defense Ministry admitted an American without checking his identity to visit the chief of the General Staff, Lieutenant General Haim Vashlo. The general proudly showed the many plaques of American and other Western commands whose officers have visited him.

In midafternoon on these warm days, pedestrians take over the boulevard. Young and old, whispering lovers and boisterous teenagers, illuminate the charmless thoroughfare by being themselves despite a setting that was meant to intimidate.

The end-of-day promenade had not stopped in the Communist years, but the flow of strollers was kept at a distance from the halls of the mighty by the guards, and this cast a pall over gaiety. Albanians say the scene was monotonous because of the virtual uniformity of dress in a country that offered modest, dark or white clothing in a few standard models.

Now strollers have left the days of primness behind them. They treasure eccentricity in dress and carry the messages of the T-shirt culture.

Albanians marvel at what seem to them multitudes of private cars, mainly old vehicles that failed safety checks in other countries and are even less safe in the hands of Albania's unskilled, often unlicensed, drivers. But cars are still few enough for the curbs on both sides to be lined with people sitting to chat and watching the world go by, their feet in the street.

TRAVEL UPDATE

A pollution alert in Rome was canceled Thursday after ozone levels dropped to tolerable levels as temperatures and humidity fell overnight. The alert Wednesday, during which the elderly and children were urged to stay indoors, was the first of its kind in Rome.

The airport at Medellin, Colombia, has been closed to nighttime traffic in the wake of a crash near the city three weeks ago that killed 132 people, the Caracol radio network said Thursday. Key radio equipment for the airport was destroyed in December by leftist rebels and has not been replaced. Pilots say the shortage caused the Boeing 727 crash.

Estovos will transfer air-traffic control to Finland for flights off Estonian territory after two Boeing B-747 jumbo jets nearly collided because of poor-quality radar equipment and a mistake by a traffic controller, the Baltic press agency BNS said Thursday. The two planes came within 150 meters (490 feet) of each other over the central town of Volma. The agency did not say when the incident occurred.

Swimmers in Europe were warned to watch out for algae scum on lakes and ponds this summer because it can set off vomiting, eye infection, skin rashes, diarrhea and pneumonia. Known as cyanobacteria, the algae can form blue-green, milky blue, green, reddish or dark brown scums on the water, especially at the shore, British researchers said.

THE FRIENDS OF EUGENE CLARENCE BRAUN-MUNK have the great sadness to announce his death. There will be a ceremony at the Chapel of Jesus-Étant, 29 rue des Cases, Paris 9007, June 14th, at 7 p.m.

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STATESIDE / THE IDEAL JUSTICE

★ POLITICAL NOTES ★

A Lady MacBeth She's Not, First Lady Says

NEW YORK (AP) — Hillary Rodham Clinton says she is no Lady Macbeth.

In an interview with NBC broadcast Thursday, the first lady said she had no more influence on President Bill Clinton than any of his dozens of other advisers.

She also dismissed as "nonsense" suggestions that she has final say on all the president's high-level appointments.

Of comparisons to Shakespeare's ruthlessly ambitious Lady Macbeth, Mrs. Clinton said she thought "some writer somewhere thinks it is a good line."

She said recent criticism of Mr. Clinton's judgment stemmed from his willingness to take on "hard things" like cutting jobs and services and dealing with the deficit.

Mrs. Clinton, who is leading the task force to reform the nation's health system, said it was premature to put a price on the plan. She said Americans would not have to pay higher taxes for the program, but would have to pay premiums for insurance. (AP)

Signal to Lobbyists: Get In While You Can

WASHINGTON — With time running out on their first — and maybe last — chance to use access to White House officials to solicit political campaign contributions, the Democratic National Committee is making a renewed pitch to lobbyists to give while their money still carries weight.

President Clinton has proposed sharply reducing how much political action committee money that federal candidates and parties can receive as part of campaign finance overhaul bills debated in the Senate. But as the White House lobbies to reduce the influence of committees, many of the large ones are being asked this week to pay up to \$15,000 for the President's Dinner and "retreat" on June 28.

At least two Washington lobbyists who were contacted by the committee this week complained. One said he was "disgusted" at being asked by Clinton for political gain in one breath and referred them to the White House. White House officials said it had nothing to do with the dinner, outside of arranging for cabinet members and officials to attend it and the briefings, and sending an aide to brief the dinner steering committee.

The president has frequently decried Washington lobbyists and special interests in calling for a restructuring of campaign and lobbyist rules and a radical change from the way business has been conducted in the capital. (WFP)

Atlanta's Mayor Won't Seek a Fourth Term

ATLANTA — Citing "necessary, unavoidable and compelling personal reasons," Mayor Maynard H. Jackson has announced that he will not seek re-election to a fourth term. The decision creates a wide-open race to find a successor, and raises the possibility of a divisive political free-for-all at a time when society is running high in the city over slow-moving preparations for the 1996 Summer Olympics. (LAT)

Quote / Unquote

Ross Perot, stepping back from his recent attacks on President Clinton's performance in office: "The president admits now that he's got to get organized, got to get experienced people around him. Things will settle down. Things will start to move more smoothly. That is good for the country and good for the president." (WFP)

Search for a Judge: Boxed In, President Bucks Up His Troops

By Richard L. Berke
New York Times Service

WASHINGTON — When Justice William J. Brennan Jr. announced his retirement from the Supreme Court, President George Bush took three days to name David H. Souter to fill his seat. One year later, he took four days to say he wanted Clarence Thomas to replace Thurgood Marshall.

By contrast, President Bill Clinton's search for a Supreme Court justice has taken almost three months — far longer than any president in more than 25 years.

Day after day, week after week, Mr. Clinton or his aides have said they were on the verge of an announcement, only to pull back. White House officials assured reporters again Wednesday that the nomination was imminent — certain to come by Saturday.

Has Mr. Clinton been exposed as a dawdler in the face of a momentous decision? Or is he simply trying to make the right choice on an appointment whose influence could be felt for decades?

The answer to both questions is a qualified yes. But at the heart of the protracted search is an undeniable fact: Mr. Clinton's ideal Supreme Court justice does not exist.

Listen to what White House aides have said are the virtues the president is looking for. He wants someone with a keen intellect. He wants to fill the vacant Jewish seat. He wants a woman. He wants someone with whom he gets along. He wants someone who is nationally respected. And, of course, he wants someone with no skeletons.

What is a president to do? In Mr. Clinton's case, take his time.

When Justice Byron R. White announced in March that he would retire early this summer, he said he wanted to give Mr. Clinton ample time to settle on a replacement who could be sworn in for the new session in October.

But already Mr. Clinton has missed the Senate Judiciary Com-

The Associated Press
WASHINGTON — As top Senate Democrats pressed for a scaled-back energy tax, President Bill Clinton sought to assure disgruntled House Democrats on Thursday that "they didn't walk the plank" for nothing in supporting a broader tax.

What the final shape of the energy portion will be, no one can now say," Mr. Clinton said at a picture-taking session as he met with domestic-policy cabinet members.

On Capitol Hill, top Senate Democrats reshaping Mr. Clinton's deficit-reduction tax bill circulated a plan that would replace his broad energy tax with a smaller levy on transportation fuels.

Mr. Clinton said he was glad the process was moving forward — but he sought to distance himself from the deliberations.

"I have not signed off on any energy proposal in the Senate yet," he said.

He was trying to repair some of the political damage done earlier in the week when the administration gave up on the original Clinton energy proposal — a tax based on the heat content of fuels that would have raised \$72 billion over five years. The idea had little support in the Senate.

In backing away from it, Mr. Clinton alienated many House Democrats who voted for the tax because he promised them it was an integral part of the package.

"They didn't walk the plank on the budget for nothing," Mr. Clinton said.

He said that he still preferred the original heat-content tax, and that it could be revived by a House-Senate conference that will ultimately have to reconcile House and Senate Democrats.

Democratic leaders also are floating proposals to put a tax on electricity use, ease proposed levies on the rich and some recipients of Social Security retirement benefits, and take a deeper bite out of Medicare health insurance for elderly and disabled Americans and Medicaid health care for poor people than the House has approved.

With blanket Republican opposition likely, the goal is to find \$340 billion in tax increases and spending cuts for the next five years that Democrats can push through the Senate by month's end.

The more liberal House narrowly approved its version last month. But as the price for their support, conservative Democrats in the Senate have demanded deeper spending cuts and the elimination of Mr. Clinton's broad energy tax,

which is based on the energy content, measured in British thermal units, of fuels.

A Further Retreat

Michael Wines of the New York Times reported earlier from Washington: Having given up his demand for a \$71.5 billion tax on the heat content of energy sources, Mr. Clinton now seems close to retreating from his fallback position as well: that any substitute for that tax must cover the gap of fuels, from oil to electricity to natural gas.

Instead, Senate and administration officials said, Mr. Clinton's aides are looking closely at a proposal by Senator John Breaux, Democrat of Louisiana, to replace the heat tax with a \$40 billion tax on gasoline and other transportation fuels and some \$30 billion in Medicare cuts.

Mr. Breaux's proposal — effectively a sales tax totaling about 7.3 cents on a gallon (3.8 liters) of fuel — would cover everything from truck diesel to jet kerosene to the high-octane used in automobiles. It differs sharply in structure from Mr. Clinton's proposed Bru tax, which covered a wider range of fuels.

In some cases, the effect on consumers would be substantially the same. For example, the Bru tax would have resulted in a 7.5-cent to 8-cent increase in the cost of a gallon of gasoline.

Away From Politics

At least five new cases have been reported of the flu-like virus that has killed 11 people in the New Mexico-Arizona border area. Among them was a 20-year-old woman airlifted to Albuquerque for treatment from a town near the Navajo reservation that has been the center of the epidemic. Her condition was not revealed. Others of the new cases were in areas of New Mexico away from the reservation.

Despite its flawed optics, the Hubble space telescope has given astronomers their first glimpse at what may be a new class of extremely hot, blue stars that have been stripped to their thermonuclear cores. Fifteen of the stars were discovered in the Pegasus constellation.

A missing figure in the World Trade Center bombing case in Iraq and has rejected an FBI request to return. U.S. investigators and a spokesman for Arab causes said. Court papers call the man a confidential informant who had federal agents that he had accompanied a suspect in the case to a Jersey City apartment where traces of explosive damage were later found and helped him learn to drive the kind of van that prosecutors say carried the bomb. The Arab spokesman, M. T. Mehdi, identified the man as Abdou Yasin, a U.S. citizen. He said Mr. Yasin had left the country with the FBI's knowledge to be with his family in Iraq.

Court testimony convinced even the famed defense attorney F. Lee Bailey that his client, the former head of the Carter Presidential Center, was guilty of defrauding a Greek Cypriot shipping tycoon. The trial, in Atlanta, ended abruptly when George G. Schira admitted he had impersonated Jimmy Carter and a Saudi prince in a scheme to defraud the tycoon of \$650,000. Mr. Schira pleaded guilty to nine counts of fraud and faces a maximum sentence of 45 years in prison and a fine of \$2.2 million.

Reuters, LAT, NYT, AP.



FAMILY SOLIDARITY — Jean Kennedy Smith with her brother, Senator Edward M. Kennedy of Massachusetts, before she testified to the Foreign Relations Committee at hearings on her nomination to be ambassador to Ireland.

Gulf War GIs Fight Mystery Illnesses

Compiled by Our Staff From Dispatches
WASHINGTON — Federal officials acknowledge that some Gulf War veterans are suffering from unknown illnesses, but they say there is no evidence of widespread disease linked to service in the Gulf region.

Dr. James Holsinger, undersecretary of health in the Veterans Affairs Department, told a House Veterans Affairs subcommittee on Wednesday that a few cases did "present complex health issues, some of which appear to defy our best efforts to define them."

But Dr. Holsinger added that among 73,000 Gulf veterans treated so far, there was "no significant difference in the major categories of diagnoses" with the more than 500,000 servicemen who served in the Gulf, aside from psychological problems.

Veterans groups said thousands of Gulf War veterans are suffering from fatigue, loss of memory, body aches, hair loss, intestinal and heart problems, which they claim stem from the time they spent in Saudi Arabia, Kuwait and Iraq.

They believe the symptoms were caused by contacts with war-related contaminants such as smoke from oil fires, pesticides, anthrax and botulinum vaccines, radiation from depleted weapons-grade uranium and a parasitic disease transmitted by a sand flea.

A navy reservist, Thomas Luther Lane, who spent four months in the Gulf, told the panel that he had experienced watery bowels, appetite loss, memory problems, depression and bumps on his body since his return. He said he saw at least five VA doctors and was told his problems "stemmed from being in my head to hygiene to spinal problems."

"None of which were the right answers," he added.

He said that more than 100 of the 735 men in the Naval Mobile Construction Battalion 24 serving in Saudi Arabia had similar mystery ailments.

But Major General Ronald R. Black, commanding general at the Walter Reed Army Medical Center, said the Office of the Surgeon

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: UNITED PRESS INTERNATIONAL, INC. Chapter 11
Debtor. Case No. 01 B 13066 (PGC)

NOTICE OF LAST DATE FOR FILING PROOFS OF CLAIM REGARDING CERTAIN ADMINISTRATIVE CLAIMS PLEASE TAKE NOTICE

On June 6, 1993, the Honorable Francis G. Conrad, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of New York (the "Court") entered an Order (the "Administrative Bar Order") in accordance with 11 U.S.C. §§ 501 and 1111(a) and Rule 3003 (e) (3) of the Federal Rules of Bankruptcy Procedure setting July 23, 1993 (the "Administrative Bar Date") as the last date for filing proofs of claim regarding all claims of whatever character, whether secured or unsecured, liquidated or unliquidated, fixed or contingent or as otherwise defined in 11 U.S.C. § 101 (4) arising against United Press International, Inc., as Debtor and Debtor-in-Possession (the "Debtor") during the period from August 28, 1991, the commencement date of the Chapter 11 case, through and including April 30, 1993 (the "Administrative Period"), which are entitled to priority either as a pre-petition administrative claim for taxes, fees, penalties, etc., under 11 U.S.C. § 503 or as a post-petition administrative expense under 11 U.S.C. §§ 503 and 507 (b) (1) (the "Administrative Claims").

IF YOU ARE THE HOLDER OF AN ADMINISTRATIVE CLAIM WHICH AROSE DURING THE ADMINISTRATIVE PERIOD AND FAIL TO FILE SUCH ADMINISTRATIVE CLAIM IN THE MANNER AND TIME PRESCRIBED IN THE ADMINISTRATIVE ORDER, BY 5:00 P.M. EASTERN TIME ON JULY 23, 1993, YOU WILL BE FOREVER BARRED FROM ASSERTING SUCH AN ADMINISTRATIVE CLAIM AGAINST THE DEBTOR OR ITS ASSETS AND PROPERTY AND THE DEBTOR AND ITS ESTATE SHALL BE FOREVER DISCHARGED FROM ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH ADMINISTRATIVE CLAIM AND SUCH HOLDER SHALL NOT PARTICIPATE OR RECEIVE ANY DISTRIBUTION FROM THE DEBTOR UPON SUCH ADMINISTRATIVE CLAIM NOTWITHSTANDING THAT THE BOOKS OR RECORDS OF THE DEBTOR MAY INDICATE SUCH A CLAIM IN YOUR FAVOR.

A. WHO MUST FILE:
A creditor must file an administrative proof of claim on or before the Administrative Bar Date if such creditor has an Administrative Claim against the Debtor that arose since the commencement of the Debtor's Chapter 11 case on August 28, 1991 through and including April 30, 1993.

B. WHO SHOULD NOT FILE:
a. Do not file a proof of claim if you do not have an Administrative Claim against the Debtor. A notice is being sent to many persons or entities which may have prepetition claims against the Debtor which arose prior to the commencement of the Chapter 11 case on August 28, 1991 and who may not have an Administrative Claim. The fact that you have received a notice does not mean that you have an Administrative Claim or that the Debtor or the Court think you have an Administrative Claim.

b. Do not file a claim if you have already properly filed a (proofs) of claim respecting an Administrative Claim incurred during the Administrative Period, unless such claim is for additional amounts not included in the filed proof of claim.

c. The Administrative Bar Date does not extend to (i) any holder of a claim arising under an unperfected lease of non-residential realty which has not been rejected by order of the Court or by operation of law under 11 U.S.C. § 365 (d) (4); (ii) any independent contractor, commonly referred to as a "Supplier," who rendered services to or provided services for the Debtor during the Administrative Period; (iii) holders of Administrative Claims which arose subsequent to April 30, 1993; (iv) any administrative claims held by professionals retained by the Debtor or the Official Committee of Unsecured Creditors upon order of the Bankruptcy Court asserting claims for the payment of fees or reimbursement of expenses and fees payable under 28 U.S.C. § 1930; (v) claims held by any person or entity which arose from or after June 27, 1992 and which is a claim enforceable against Worldwide Service, Inc., the purchaser of substantially all of the assets of the Debtor, effective as of June 27, 1992, and not a claim asserted against the Debtor; or (vi) for which specific deadlines have previously been fixed by order of the Court.

C. INSTRUCTIONS FOR FILING CLAIMS:
You must file a proof of administrative claim (substantially in the form of official bankruptcy form no. 10) such that the claim is received before 5:00 P.M. Eastern Time on July 23, 1993 by mail addressed to:

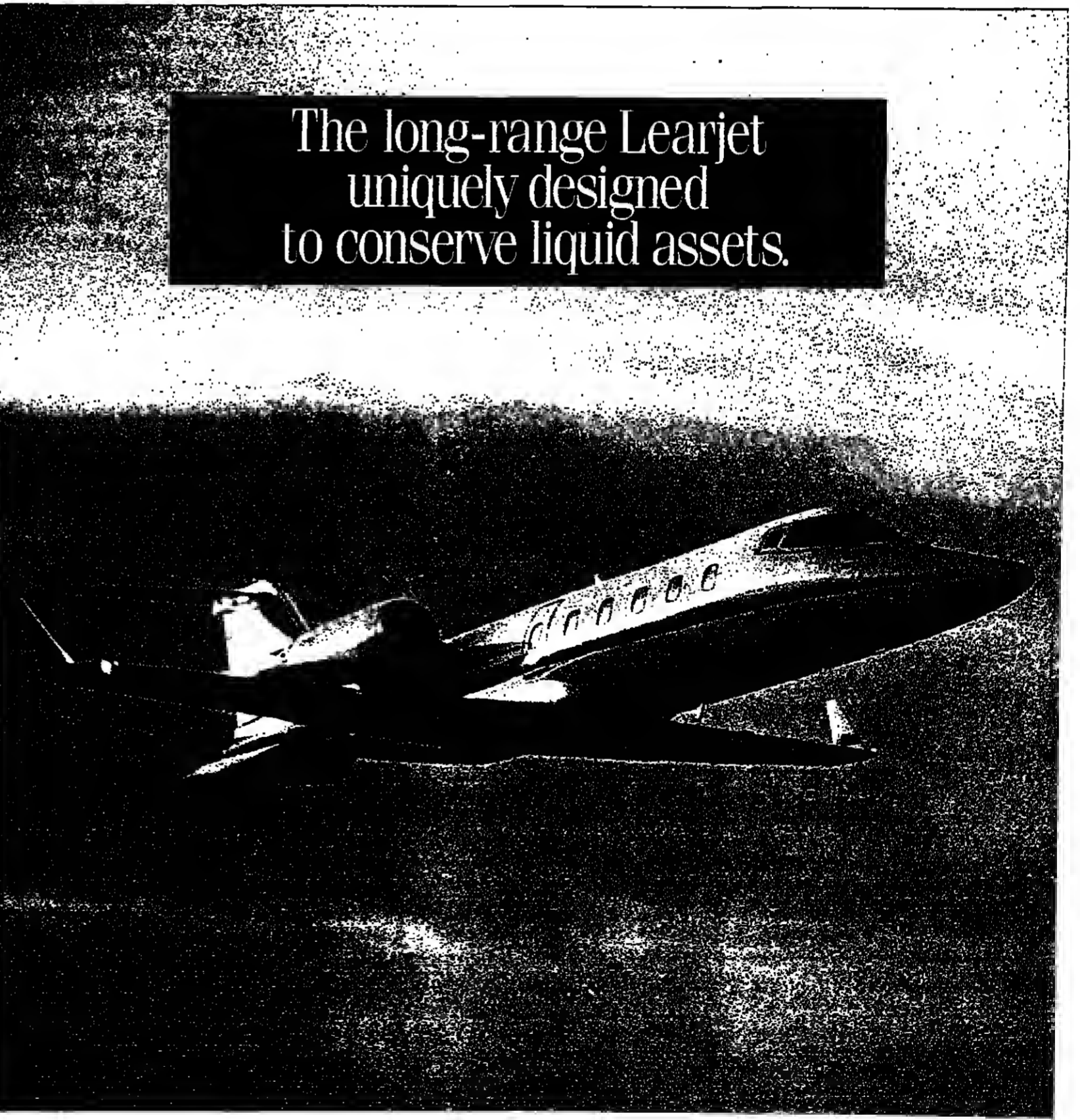
United Press International, Inc.
Claims Processing Center
P.O. Box 982
Bowling Green Station
New York, New York 10774-0982

or by hand delivery prior to 5:00 P.M. Eastern Time on July 23, 1993 to: Office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, Fifth Floor, New York, New York 10004-1408.

A Proof of Claim is not filed until it is received by the Clerk of the Bankruptcy Court. ALONG WITH A COPY OF A NOTICE OF THE BAR DATE, YOU WILL RECEIVE AN ADMINISTRATIVE PROOF OF CLAIM FORM. You may contact Potomac-Douglas Corporation, court-appointed claims agent, P.O. Box 19550, Portland, Oregon 97208-0550, (503) 293-5082.

Any other questions should be directed to your attorney.
Dated: New York, New York
June 6, 1993
BY ORDER OF THE COURT
Hon. Francis G. Conrad
United States Bankruptcy Judge

PROSKAUER ROSE GORTZ & MENDELSON
Counsel to the Debtor and Debtor-in-Possession
1585 Broadway
New York, New York 10036
Attn: Remy J. Ferraro, Esq.



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Attack Endangers Bosnia Pact

Croats Said to Raid a Private Aid Convoy

SARAJEVO — An aid convoy was attacked Thursday night near the central Bosnian town of Travnik, threatening a new cease-fire between Muslim and Croatian forces.

British UN peacekeepers said the private convoy, bound for the Muslim enclave of Tuzla in eastern Bosnia, was assaulted in Novi Travnik, about three kilometers (two miles) south of Travnik, where Muslims and Croats fought heavy battles recently.

British soldiers trying to reach the area in armored vehicles reported that the convoy had been fired on by Bosnian Croats soldiers.

Unconfirmed reports said that aid drivers had been shot.

The 52-vehicle convoy, organized by citizens in Tuzla to bring food and fuel, was supposed to have been guaranteed safe passage under a truce signed Thursday by the Bosnian government and Bosnian Croats military commanders.

European Community monitors reportedly were accompanying the convoy. But as a private venture, it did not have an armed United Nations escort.

General Miroslav Petkovic, the Croat supreme commander, who earlier signed the cease-fire accord with his Muslim counterpart, rushed to the Travnik area to rein in the fighters and negotiate with a British peacekeeping officer, sources said.

Croatian women stopped the convoy, headed for the mainly Muslim northeast town of Tuzla, outside Novi Travnik, with banners reading "Everyone needs food."

The sources said uniformed Croat then arrived in cars and, brandishing Kalashnikov submachine guns, looted vehicles.

The incident threatened the Muslim-Croatian truce that was just hours old.

The accord "calls for an absolute cease-fire and freeze on all military activities, including military movements, deployments of forces and establishment of fortifications," said a spokesman from UN headquarters in Zagreb.

He said the accord superseded a less-comprehensive truce reached Wednesday by lower-ranking officers for the area around Travnik. It

was to take effect at 2 P.M. UN officials said that initial signs were encouraging, but that it was too early to tell how well the truce was holding.

Scores of cease-fires have dissolved into new fighting during the 14-month war in Bosnia, but the new agreement seemed to have somewhat more authority than those that preceded it.

Fighting was to cease along the entire Muslim-Croatian front from the Tuzla corridor in the northeast to Mostar in the southwest Herzegovina region bordering Croatia. Power-sharing committees were to be formed under prior accords that have not been honored so far.

There were three related developments Thursday.

A U.S. diplomat in Belgrade said the United States had strongly denounced the arrest and beating of Vuk Draskovic, the leader of Serbia's main opposition party.

The U.S., Danish and Swedish embassies in Belgrade submitted a joint protest Monday to the Foreign Ministry in Belgrade to demand the release of Mr. Draskovic and his wife. Denmark holds the revolving chairmanship of the European Community, while Sweden currently chairs the Conference on Security and Cooperation in Europe.

JAPAN: U.S. Envoy's Blast

Continued from Page 1

Mr. Armacost, who had long backed a broader Japanese approach to balancing Japan's trade, said he now felt that the Clinton administration's tougher approach was justified. Such economic concerns long had been subordinated to the need to hold the line against communism in Asia, he said, but times had changed with the collapse of the Soviet Union and disappearance of a communist threat to the capitalist countries.

"I do believe that in the post-Cold War world, the United States cannot afford to subordinate its economic interests to strategic concerns," he said.

Mr. Armacost said that the United States and Japan both were to blame for the bitter edge that has come into their relationship recently, at least in the economic sphere.

For years the United States has failed to trim its budget deficit, he said, and that deficit has contributed to its trade deficit.

But he said the Clinton administration was now taking concrete steps to bring the deficit under control. Meanwhile, Mr. Armacost said, the Japanese surplus was becoming wider than ever, and Tokyo's response seemed to be little more than a denunciation of the new trade policies in Washington.

"Unfortunately there has been a kind of reversion to the old pattern of exporting their way out of the current recession," Mr. Armacost said of Japan's leaders. "I sense a loss of momentum in the effort to deregulate the economy."

He also criticized Japan for not taking further steps to help conclude the long-stalled negotiations on revitalizing the world's trading system. For several years now, major trading nations have been struggling to design a trade regimen that would open markets further.

Japan, Mr. Armacost said, had benefited more than most countries from the global trading system and thus ought to be a leader in making the difficult political decisions necessary to open markets further.

This, he said, was an area where Japan was obliged to show leadership by using its huge market to benefit other countries.

"I believe we do practice different forms of capitalism," Mr. Armacost said, speaking of Japan and the United States. "What is needed, I think, is a harmonization to some degree, but not a homogenization."

19 Troops Die South of DMZ
The Associated Press

SEOUL — Nineteen South Korean soldiers were killed and 10 wounded Thursday in a training accident.



Pakistani soldiers taking part in a sweep of a Mogadishu neighborhood during a search for Somali snipers.

SOMALIA: Both Sides Are Braced for Reprisal Attack in Mogadishu

Continued from Page 1

overwhelming UN force, including possible air strikes by American helicopters.

"What can helicopters do?" Mr. Shirwa asked. "I will sit here."

Witnesses said hordes of Somali youths picked the offices of "Muslim Relief UK" clean, carrying off bags of food, electronic equipment and furniture.

In Paris, the French government said it was withdrawing its envoy to Somalia. A Foreign Ministry spokesman, Catherine Colonna, said Alain Deschamps was being recalled to Paris. She gave no other details.

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TROOPS: A Role in Macedonia

Continued from Page 1

key — to expand their operations to include aerial protection.

Mr. Christopher said that U.S. planes would be available to protect the UN forces in Bosnia not only when they were guarding safe areas but also "in the performance of all aspects of the UN mandate."

The primary mission of the UN troops is to perform humanitarian relief operations, but there has been concern that guarding the proposed safe areas might bring the UN forces into conflict with the Muslims' Serbian and Croatian enemies.

Mr. Christopher said Mr. Clinton's decision to send troops into Macedonia was prompted by concern over the potential spillover effects of the war. Asked what the deterrent effect 300 soldiers could have, Mr. Christopher replied: "If they're attacked, the United States is not likely to leave its troops undefended."

In Washington, President Clinton said that putting U.S. troops in Macedonia was designed to limit the conflict.

"We've said all along that we would support the United Nations in limiting the conflict," he said.

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NATO: Call for Summit

Continued from Page 1

pher called for better communication among allied capitals and faster use of NATO forces in managing crises.

Mr. Christopher said that NATO had a "mission to help the emerging democracies to the East to share in the benefits we have gained from this alliance."

The idea of eventually opening NATO to membership by some ex-Warsaw Pact countries has been viewed more favorably in Washington than in most other allied capitals, which fear that such moves would frighten Russia.

These U.S. ambitions for NATO will be welcome in most allied capitals, officials said. Even France, the most reticent country about a broader political role for the alliance, has voiced concern about a possible weakening in the U.S. connection.

Mongolian President Is Returned to Office

Reuter

ULAN BATOR, Mongolia — President Punsalmaigyn Ochirbat was returned to office with 57.8 percent of the vote in the country's first direct presidential election, the Central Election Commission said Thursday.

Mr. Ochirbat, the incumbent, defected from the governing Mongolian People's Revolutionary Party and ran as the candidate of a democratic coalition in Sunday's election. The governing party candidate, Lodogyn Tudev, won 38.7 percent of the vote.

19 Troops Die South of DMZ

The Associated Press

SEOUL — Nineteen South Korean soldiers were killed and 10 wounded Thursday in a training accident.

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Great Britain £	210	115	65
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Ireland Ir.	280	125	68
Italy Lit.	900,000	275,000	150,000
Netherlands G.Lf.	14,000	7,700	4,200
Norway N.Kr.	770	420	230
Norway N.Kr.	3,500	1,900	1,050
Portugal Esc.	47,000	26,000	14,000
Spain Ptas.	48,000	26,000	14,000
Spain Ptas.	85,000	27,500	14,500
Sweden (Central) S.Kr.	3,100	1,700	900
Sweden (Central) S.Kr.	3,100	1,700	900
Switzerland S.Fr.	610	325	185
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INTERNATIONAL Herald Tribune

May the Tide Soon Rise

A book entitled "Giants of the Democratic World" would be exceedingly short, briefer even than "Gems of English Cookery." Nobody can recall when so many leaders have found so little public favor. Not only are incumbents of various brands unpopular. They are also generally smaller than life. Europe as a whole fits the writer Jane Kramer's description of Austria: a grand opera performed by understudies.

The broad pattern has distinctive twists. In Italy, revision over widespread corruption has deepened disenchantment. Age explains the setbacks of France's Socialist president, Francois Mitterrand, who was drenched in parliamentary elections and is now a lame duck, forced for two years to share power with his rivals. Germany's Christian Democratic chancellor, Helmut Kohl, has been unable to quell right-wing violence or to deliver on promises of painful unification with Eastern Germany.

Time for German Action

Since the violent deaths of five Turks in Solingen, last week, nearly all the major political voices in Germany — with one notable exception — have stopped saying that the problem of racist violence in the country is a minor matter attributable to too-generous asylum laws. The exception is Chancellor Helmut Kohl. In stark contrast to President Richard von Weizsaecker — who attended the victims' funeral, spoke of shame and called sharply for the granting of dual citizenship to Turkish residents of Germany — Mr. Kohl refused last week to attend the funeral or other events marking the death or to make any public gesture toward the victims' families. He called, instead, on the Turkish population not to riot but to stick to "democratic means" — good advice, except that the Turkish population in Germany (about 1.8 million legal residents) lacks citizenship or the right to vote.

recorded; 16 Turks were hospitalized in a single night, Saturday, with symptoms of smoke inhalation when their doors were set aflame. Three hundred Turkish youths did riot, smashing windows in businesses, and were subdued by 700 policemen. It has also become clear that, far from subsiding, violent incidents have picked up since another riot cracked down after a firebombing killed three Turks last November in Moelln. The New Yorker's Jane Kramer has published a long piece about the skin-head practice of "sidewalk cracking," or fracturing foreigners' skulls; the Los Angeles Times recently reported a rise in violence against Germany's disabled.

Winners and Losers

The Senate Democrats are now at the point where the myths of the budget process meet the math. The leadership says it cannot get the 51 votes it needs unless the tax increases in the president's budget are eased and the deficit in spending cuts is spreading cuts instead. Instead of the full tax he has proposed on energy (and perhaps the full tax increase he has proposed on Social Security benefits), the Senate is said to be prepared to make deeper cuts in entitlements. Since no one is much in favor of either taxes or (in the abstract) entitlements these days, the message is met with great applause.

But there, too, a "cut" is often no more than a shift. Medicaid is a federal-state program; where federal taxpayers pay less, state taxpayers often end up paying more. The Senate may not want to vote for that, either; nor may the Democrats appear to be squeezing the poor for the sake of the oil industry — although who knows? There are other alternatives. The president proposed to offset the regressive effect of an energy tax through a larger earned-income tax credit for the working poor. Perhaps if the energy tax is smaller, the offset could be, too — but that is not a spending cut. Measured against the president's proposal, it, too, is a tax increase — but an increase for the poor. Senator Bill Bradley has the right idea. If they are going to replace the energy tax with other tax increases, direct and/or indirect, why not at least make them progressive? He would recoup the money by reducing some of the other "tax expenditures" in the code and plan — tax breaks for business instead of the tax breaks for the poor.

Passive Government Disarms Democracy

By William Pfaff

PARIS — The display of disorder and impotence provided by the international community in its failure to deal with the Yugoslav war has a larger meaning that must be confronted. What has been demonstrated is a fundamental inability of governments responsive to popular opinion to deal with problems whose consequences lie in the future. There will be no new international order, nor new European order that requires enforcement, because no willingness exists to enforce order. Even when there is wide international agreement as to what that order should be, as in the case of Yugoslavia, it will not be imposed against significant opposition.

They don't like sacrifice. They don't want their comfort or profits interfered with.

half ago, which ordered troops withdrawn from conquered regions of Croatia and the return of both sides' refugees, were never enforced. Why? This would have been resisted. The United Nations' humanitarian convoys progress when they progress, by negotiation and bribery. When they are attacked, the United Nations withdraws. Nothing has ever been done in Yugoslavia that did not have the consent of whatever combatant controlled the territory. The new UN-proclaimed "safe havens" for Muslims in Bosnia have no actual military protection and will not be given it. When UN forces are present in such a "safe haven," they have no authority to fight other than in their own defense. The United States has offered six strikes — but not to protect the Muslims in these havens, only to protect the UN soldiers who are not protecting the Muslims. The situation would be farcical were it not laden with tragedy.

in Yugoslavia, but the responsible Somali warlord is a bandit with limited military resources. There is little risk in taking him on. A comparable episode in Yugoslavia would have no sequel. There is no will to act in Yugoslavia because to do so would be dangerous. Had the Western powers wished to halt or punish aggression, the resources could easily have been found to do this. NATO is on the scene, an overwhelming military force by any standard, and is eager for a post-Cold War mission to justify its existence. The Gulf War armada could have been reconstituted if the West had thought aggression in Europe comparable to aggression in Kuwait. This was not the judgment. Not one government in Western Europe or North America, nor among the non-Western powers who have interested themselves in the affair, including the Muslim Turks and Arabs, has been willing to propose serious sacrifice, or even to accept the risk of such sacrifice, to change the course of events in Yugoslavia. Proximity, shared political values, evident implication in the consequences, religious or historical attachment, all have been ignored. Moreover, this probably correctly reflects public opinion in these countries. In any case it has been the politically safe course for these governments to follow. Their reason is nothing more than this: In the 1930s there certainly was no popular clamor for the democracies to block Hitler from remilitarizing the Rhineland, or annexing Austria, or partitioning Czechoslovakia. Chamberlain and Daladier were the popular politicians, calm and reasonable men who refused to take risks over distant issues and improbable dangers. The public wanted to Chamberlain and de Gaulle only after all the combinations of appeasement (and collaboration) had been tried and had failed. So there is nothing new in what is happening. But it does reiterate a lesson. Governments that are passively dependent upon public opinion, as are the democracies, as a general rule are incapable of dealing with long-term threats requiring the sacrifice of lives, or even the serious risk of lost lives, even when a reasoned case can be

made that this will save lives in the longer term. They can mobilize sacrifices only in war itself, or in exceptional circumstances of perceived imminent threat, as during the Cold War. American and European opinion supported the Gulf intervention because the threat to Western oil seemed palpable; but popular support for that war was also fully understood by the Western governments to be extremely fragile. Those governments that can mobilize their people to make resolute sacrifices for distant future causes are those led by the Slobodan Milosevic, Srdan Hissajic and Hides of our world. They tell huge lies, console and manipulate the press and broadcasting, exploit the real grievances of their peoples, recall past and present national injustices, and invoke the great patriotic myths of national destiny and national predestination to obtain vast sacrifices for the glorious future. They generate the popular support that carries them through long wars of aggression and conquest, and that sustains them despite internal resistance and external defeats. They are never stronger than when they defy the international community and repeatedly succeed. There are certain complacencies by which the democracies justify their aversion to sacrifice. We say that because the democracies are virtuous they will always win out in the end; the Cold War has proved it. We say that backward as the system is it will better than all the rest. We say that democracies never fight democracies, and the world is getting more democratic. We say the people always know best. The fact is that democracies compete badly with despots. Democracies don't like sacrifices, nor the politicians who demand them. Democracies are no good at looking after their security interests when a gun is not pointed at their heads. Democracies don't like to listen to bad news. Democracies don't want to think about bad possibilities in the future. Democracies don't want their comfort or profits interfered with. Democracies may or may not win out in the long term. It is perfectly possible that until now they have merely been lucky.

Japan: A Win-Win Solution to the Trade Problem

By Takujiro Hamada

The writer is deputy secretary-general of Japan's Liberal Democratic Party and a former vice minister of foreign affairs.

TOKYO — At their summit meeting in April, Prime Minister Kiichi Miyazawa and President Bill Clinton agreed to create a new framework for U.S.-Japan economic negotiations. As both countries are preparing to begin talks on this issue in coming weeks, it is an appropriate time to offer some thoughts on the problems of the trade imbalance. When the world was divided three years ago, it probably was inevitable that economic and trade issues would come to dominate the U.S.-Japan relationship. The Clinton administration clearly wants to keep the issues of trade and the economy atop its agenda in relations with Japan. But in Tokyo we believe that we should also be talking about political, security and environmental issues.

What can we do about the trade imbalance? Clinton administration officials claim the solution is greater access to Japan's market. This assumes that a large demand for U.S. products exists in Japan that is not now being satisfied because of non-market "barriers." But if a demand for more U.S. products existed, some smart trading company would be creating a joint venture with the U.S. producer and both would be making a profit by satisfying that demand. U.S. officials themselves seem to have doubts that this demand exists. They talk of creating demand through market-share arrangements. But such sectoral market-share agreements create a producer's cartel with government sponsorship; like any cartel, the result is higher prices.

should be reflected in price changes that will help increase U.S. exports to Japan and reduce imports from Japan. But this year's increase, of more than 15 percent, is sufficient; further strengthening would be harmful, reducing manufacturing output in Japan and causing inflation in America. Japanese companies should shift more production to their factories in the United States, and continue to increase the local content of products from those plants. The United States should use tax measures and fiscal policy to encourage a higher savings rate and less consumption. The fact is, if the United States wants to lower its trade deficit, it must buy less. The Clinton administration could consider these targets: a national savings rate of 12 percent; annual gasoline consumption of less than 300 gallons per capita; a federal budget deficit of less than \$200 billion per year; and a high school graduation rate above 90 percent. Japan exceeds all these targets today. Achieving either one of the first two goals alone would eliminate the U.S. trade deficit. I expect our negotiators will be taking up many of these issues later this month. We need to cooperate and find win-win solutions to these problems. I feel certain we can do so.

For a Clear and Credible Line on Tokyo

By Robert M. Orr Jr.

TOKYO — The Clinton administration has been struggling for months to devise a coherent policy toward Japan. Despite a slow-moving process and a dearth of experts on Japan in the administration, what we have instead is confusion. This confusion has been the principal catalyst for the recent dramatic rise in the value of the yen against the dollar, not an explicit approach by Washington to address the trade imbalance through monetary measures. The period of confusion has allowed Japan to take preemptive responses and adopt a tougher trade line. Tokyo will probably set conditions for negotiations with Washington, agreeing to discuss sectors and structural issues but showing reluctance to link this explicitly to movements in trade deficits or surpluses. Japan is also unlikely to agree to any actions that would require the government to exert authority over the private sector. Tokyo will take this approach to discourage the impression that the country really does operate like Japan Inc., with the state ultimately calling the economic shots. But Japan will increasingly want to discuss issues related to government procurement on a reciprocal basis. As a result, it may insist that buy-American provisions in U.S. government procurement law be placed on the negotiating table alongside Japanese

government procurement practices. Given Japan's manufacturing trade surplus, which is expected to approach \$50 billion this year with the United States alone, calling America or practically any other country an unfair trader may seem odd. Recent official Japanese studies doing just this make Tokyo appear like a poker player who has won all the table's earnings and then criticizes other players for cheating. Japan may find itself isolated when it hosts the G-7 of Seven summit in July. Meantime, the Clinton administration needs to install a credible group of experts on Japan and develop an approach to Tokyo that eschews rhetoric and gets down to business. This would at least restore some stability to the relationship and end the waiting game. That Japan is now willing to lay its cards on the table and conduct some straight talk with America is not necessarily bad. It reflects the more equal relationship that Washington claims it is trying to establish in the post-Cold War era. America may have to get used to dealing with a Japan that is less willing to guarantee and more willing to play tough, much like America's European trading partners.

Enough Foolery: Lift the Ban on Gays

By Barry M. Goldwater

WASHINGTON — After more than 50 years in the military and politics, I am still amazed to see how upset people can get over nothing. Lifting the ban on gays in the military is not exactly nothing, but it is pretty damned close. Everyone knows that gays have served honorably in the military since at least the time of Julius Caesar, and will go on doing so. But most Americans should be shocked to know that while the country's economy is going down the tubes, the military has wasted a half-billion dollars over the past decade chasing down gays and running them out of the services. Military studies have proven again and again that there is no valid reason for keeping the ban on gays. Some thought gays were crazy. But then found that wasn't true. Then they decided gays were a security risk, but again the Defense Department decided that was not so — one navy study, never published, found gays to be good security risks. We know that eventually the ban will be lifted. The only questions are how much money we will all be dragged through, and how many brave Americans like Tom Panicia and Colonel Margarethe Cammermeyer will have their lives and careers destroyed in a senseless attempt to stall the inevitable. Some in Congress think I'm wrong. They say we absolutely must continue to discriminate, or all hell will break loose. Who knows, they say, perhaps our sol-

diers may even take up arms against each other. That's just stupid. Years ago I was a lieutenant in charge of an all-black unit. Military leaders at the time believed that blacks lacked leadership potential. Today, every man and woman in the U.S. military takes orders from a black man: General Colin Powell. Nobody thought blacks or women could ever be integrated into the military. Many thought an all-volunteer force could never protect the national interest. Well, it has — and despite those who feared the worst, I among them, we are still the best. I served in the armed forces. I have flown more than 150 of the best fighter planes and bombers the country manufactured. I founded the Arizona National Guard. I chaired the Senate Armed Services Committee. And I think it's high time to pull the curtains on this charade of policy. We have the strongest military in the world because our service people respect the chain of command and know how to follow orders. A soldier may not like every order, or every member of his or her unit, but a good soldier will always follow orders — and, in time, respect those who get the job done. What would undermine U.S. readiness would be a compromise policy like "Don't ask, don't tell." That compromise doesn't deal with the issue — it tries to hide it.

We have wasted enough precious time, money and talent trying to persecute and pretend. It is time to deal with it straight on and be done with it. The conservative movement, to which I subscribe, deeply believes that government should stay out of people's private lives. Government governs best when it governs least, and avoids the impossible task of legislating morality. But legislating someone's version of morality is what we do by perpetuating discrimination against gays. Under the U.S. Constitution, everyone is guaranteed the right to do as he pleases as long as it does not harm someone else. You don't need to be "straight" to fight and die for the country. You just need to be able to shoot straight. I know that we can rise to the challenge, do the right thing and lift the ban on gays in the military. Countries with far less leadership and discipline have traveled this way, and successfully. No American able to serve should be allowed, much less given an excuse, not to serve his or her country. We need all our talent. If I were in the Senate today, I would rise on the Senate floor in support of our commander in chief. He may be a Democrat, but he happens to be right on this question. The writer, a former senator from Arizona, was Republican nominee for president in 1964. He contributed this comment to The Washington Post.

For Poland, Grit and Leadership

By William Safire

WARSAW — Next to Hillary Rodham Clinton, the most powerful woman in politics today is Hanna Suchocka. This is true despite the fact that the government headed by the first female prime minister of Poland — and the first woman to lead the nation since Queen Jadwiga in the 14th century — was recently overturned by a single vote. Her former minister of justice, whom she fired the week before for his habitual tardiness, claims he did not overlook. He says he left a wake-up call with the hotel operator, who rang him; he told his wife to call him from home, which she did; and he saw his alarm, which duly rang. Despite this unimpeachable evidence, he just did not make it to the Sejm in time for the confidence vote, and the government fell. We all have mornings like that. The result is a wonderful forward tumble. The old Polish parliament was a jumble of 99 splinter parties, many nibbling at Ms. Suchocka's market reforms, deficit reduction and privatization of industry. The no-confidence voters did not expect to win, and even if they did win, expected the usual reshuffling of the old deck. When Sleepyhead failed to show up and the newspapers upset the government, it was not that each Warsaw newspaper tried them all by seizing the chance to dissolve parliament and call new elections, keeping Ms. Suchocka (pronounced sue-HUT-skuh) in place as caretaker. Here's the beauty part: A new law raises the threshold for proportional representation, limiting the parties to a half-dozen or so. The upshot will be a more stable government, the betting is that the prime minister, whose popularity rating is in the 70s (about that of Francois Mitterrand, John Major and Bill Clinton combined) has a good chance of emerging with a stronger hand for reform. This handsome, matronly, unmarried lawyer of 47 has the unmistakable presence of a head of government. A social and fiscal conservative, she came from a small village, worked her way up the Communist-approved democratic opposition and allied herself with Solidarity. An admirer of Margaret Thatcher, she prefers "Ms." to "Madame" and says: "I am not linked with any feminist movement. But there exists some kind of women's solidarity." Jane Perlez, the New York Times correspondent I accompanied to an interview with the PM, is covering the coming campaign and the hopes of Ms. Suchocka that both Mr. Walesa and the Catholic Church will support "reformist tendencies." I see my role as modest to set all this in vast global perspective. 1. Poland faces west with its hopes, and east with its fears. Poles see Russia and Ukraine as nuclear powers with unstable governments posing a genuine danger. That is why the breakup of the former Yugoslavia, with the world's response only to worsen the mess, troubles a nation bordering these troubled of a former union. 2. Poland is expected to be a strong ally of the United States. James Woolsey, director of central intelligence, was in Warsaw last week to set up cooperation among spooks. But Warsaw gets little respect from the U.S. State Department. When Secretary of State Warren Christopher tripped about Europe on his halfhearted mission to sell the Clinton plan to arm and protect Bosnia, Muslims, he never even sought Poland's help — and Warsaw has peacekeeping troops in Bosnia. 3. Poland is the prime example so far of the benefits of a sharp turn away from command economy to capitalism. But the shocks, especially to retirees and older workers, are not over; the workers' movement that started it all now finds its members facing more layoffs in dinosaur companies that require streamlining. 4. By their willingness to bear privation in the prospect of economic freedom, the people are ahead of the parliaments across most of Eastern Europe. This legislative lag, most pronounced in Russia, is being overcome by steady pressure from the beginning of a middle class. September's election, I suspect the Poles will back Hanna Suchocka and oust many of the foot-dragging hacks impeding economic transformation. A combination of the people's grit, good new leaders and the profit motive have made possible the formation of a more stable, reformist government in Poland — along with a little bit of luck from a politician who hit the snooze button and pulled the covers over his head. The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Queen's Parade

LONDON — Rarely have Londoners seen such pomp and splendor as was witnessed yesterday (May 10) by spectators who lined the roadways along the route taken by the Royal procession from Buckingham Palace to South Kensington. Enticed by the glorious weather and the knowledge that a unique, spectacular display awaited them, all London seemed to have concentrated itself in that portion of the West End where the Queen, her family, her courtiers, ambassadors and statesmen, English judges and Indian Princes would pass by to take part in the opening of the Imperial Institute, that stately monument erected in honor of the Queen's Jubilee.

1943: Island Battle

ALLIED HEADQUARTERS IN NORTH AFRICA. [From our New York edition:] American airmen laid explosives across Pantelleria's scarred face again yesterday (June 9) tore up two Sicilian airfields near volcanic Mt. Etna, and won a 39-1 victory at that time invasion-juggernaut Italian outposts, Pantelleria, living with a nose around its neck since its refusal to surrender, put up a strong but futile fighter defense against the invasion spearheads. Of twenty German and Italian fighters rising from the little island, twelve were shot down at a cost of one Allied plane.

1918: Turkish Losses

LONDON — The War Office, in a communique regarding the operations in Palestine, states that on the morning of June 9 British troops, in the sector of the coast, executed an

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OPINION

Update the United Nations For a Newfangled World

By Flora Lewis

GENEVA — Vladimir Petrovsky was a Soviet diplomat and eventually deputy foreign minister who played a significant role in transforming the content and personnel engaged in Moscow's foreign policy. Now he is a deputy secretary-general of the United Nations, in charge of its Geneva office, and just as aware of the organization's inadequacy in meeting the tasks assigned by greatly expanded expectations.

He points out that the United Nations will be 50 years old in 1995, and he urges that the anniversary celebrations go well beyond the usual ceremonies and seminars to a serious, and necessary, renovation of its capacities. The world is in a new period of crisis, different in many ways from the past, and he is right that it is time to do something about the United Nations so that it can do more about keeping peace.

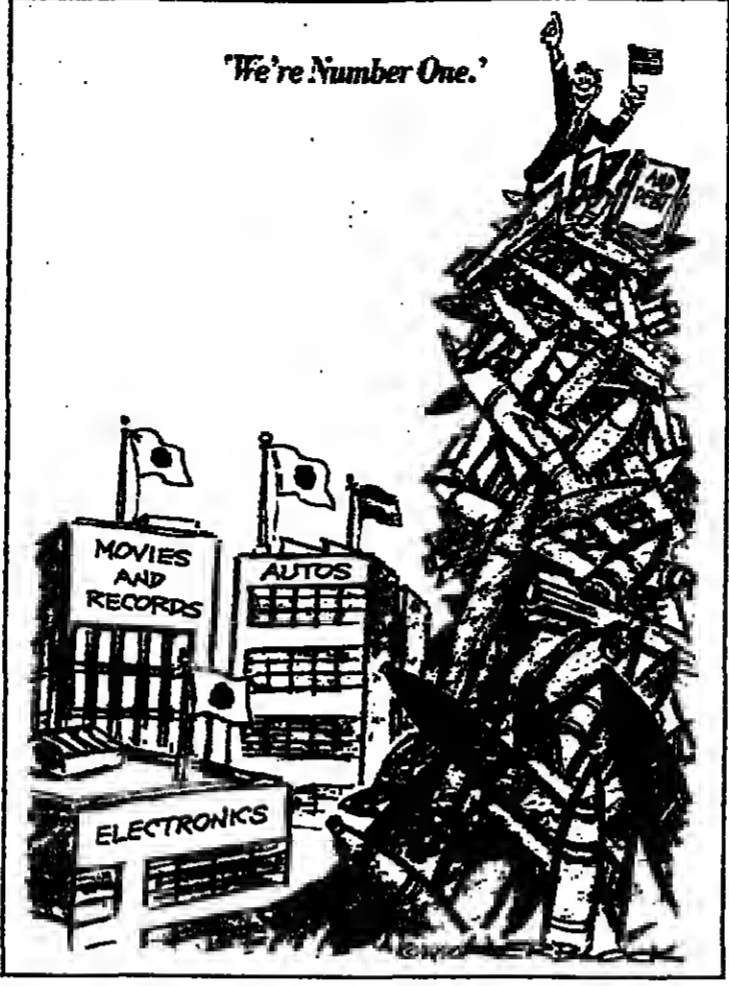
There are proposals for UN trusteeships in hopelessly embattled places like Bosnia and failed states like Somalia, but that is probably impossible as things are.

There are some 30 armed conflicts going on in the world. The United Nations is overwhelmed, with its current 13 peacekeeping missions.

No longer is any developed power likely to accept the responsibility, as many did eagerly under the League of Nations after World War I. The United Nations itself, with its sclerotic bureaucracy, its chronic budget crisis, its hamstringing decision process, is not up to the job.

First, it is necessary to see what went wrong during all those years of Cold War-imposed impotence. There are basic problems of management, corporatism, shuffling waste and slovenly work, which require the rigorous techniques of big business. An experienced businessman or woman, not interested in re-election and not afraid of making enemies, should be put in charge of that department.

There is the shibboleth of "geographical distribution" which hands out jobs by nationality with little concern for competence, and the custom of many countries to designate failed or incompetent politicians to these reserved UN posts to get them out of the way. Effective hiring must come first. Secondly, there is a structural flaw, written into the charter in San Francisco. Still imbued with "the cult of the sovereign state" as Mr. Petrovsky puts it, delegates accepted the democratic fallacy of one-state, one-vote. But democracy can only be based on individuals.



A Quite Traditional Establishment

By Thomas Crampton

PARIS — The first time I visited Madame Françoise's bar, everyone wore black. It was the bicentenary of the guillotining of Louis XVI; they were in mourning. The views of the clientele leaned to the right, with a few monarchists mixed in. The bar is not a hoed-of-right-wing politics. It is, one might say, a quite traditional establishment.

MEANWHILE

fills up nightly with people who come to sing cabaret songs. Leaning on the zinc bar, glass of Bordeaux at his elbow, an accordionist plays songs popularized by the likes of Faithful and Yves Montand. There is a warm, congenial atmosphere as the lyric sheets are passed around before each song.

seem that the situation could have been defused. If someone had offered to keep the dogs in a car just outside the bar, both Madame Françoise and the blind couple would have felt vindicated. Battle lines had been drawn: it was too late for compromise. The blind couple wanted to defend their right to enter a public bar, and Madame defended her territory. It was a matter of principle.

Looking for support, she called on two regulars. They explained to the blind couple that she was very strict about her rules and that the music would not start until they left. The blind man said that the last thing he wanted to do was hold up the music. "Let's all sing," he shouted to the coldly silent crowd.

Nobody moved. Everyone hoped the problem would evaporate. The couple stood their ground.

Madame then tried to get the two regulars to toss out the blind woman and man. They refused, although they waved their hands crudely in front of the couple. Finally she took her last recourse, turning off the lights and telling everyone to get out.

This took only a few moments. The blind couple were the last to leave, threatening to call the police and take legal action. None of us had lifted a hand to help them.

LETTERS TO THE EDITOR

The Example of Cyprus

Regarding "Standing Aside in Self-Defending Virtue" (Opinion, June 1): Peter Schneider seems to believe Cyprus is an example of a peacekeeping operation that works. Unfortunately it has only perpetuated the aggressor's territorial and "ethnic cleansing" gains. Starting from the UN-patrolled demarcation line, the invader is demanding further concessions from the assaulted in order to accept any permanent arrangement.

NAFTA as Process

Regarding "A NAFTA, but With Extra" (Opinion, May 25): Lane Kirkland is quite right to argue that the North American Free Trade Agreement, conceived by the U.S., Canadian and Mexican governments, is more likely to provide quick profits for financial elites than to improve the welfare of most North Americans.

The End Is in Sight

Malcolm W. Browne's fascinating article, "The Limits of Existence" (Health/Science June 3), quotes Dr. J. Richard Gott 3d as predicting that the human race could survive for 5 million years or so.

Shoot to Kill

Regarding the editorial "Too Foolish for Arms" (May 28): I would like to express my amazement and disappointment that the man who

Moral vs. Moralistic

Regarding "Homosexuality and Morality" (Letters, May 27) from T. M. Aguilero: I am getting tired of the phony moral rectitude of some people on a subject that is no concern of theirs: the sex life of other people.

White Man's Burden

I wish to take to task mildly Mr. William Safire. In "Getting to the Core of the Matter" (Language, June 7), he refers to Rudyard Kipling's "Mandalay" and to that poet's "stiff-upper-lip, white-man's-burden support for the British Empire."

White Man's Burden

It is not often that Mr. Safire misses the target with one of his sharp shafts. But the white man's burden he refers to has nothing to do with the British Empire. Rudyard Kipling was trying to put a bit of backbone into the Americans who, after the Treaty of Paris in 1898, had acquired the Philippines as a result of winning the Spanish-American War and did not know what to do about it.

Roles Were Reversed

Regarding Japan's continuing trade surplus with the United States, I wonder what the American attitude would be if the United States had the trade surplus? Would Americans be any more willing than the Japanese to reduce the trade gap? Probably not. They would react exactly as the Japanese do: saying no to managed trade and citing weaknesses in the other's manufacturing and production sectors.

GENERAL NEWS

New German 'Drive to the East' Arsonists Hit Hostel In Germany

By Margaret Shapiro Washington Post Service

KALININGRAD, Russia — More than 45 years after the Red Army drove German defenders from this Baltic city known for centuries as Königsberg, the Germans are back.

while they encourage the German presence, they don't stress it. But it is clear to anyone walking Königsberg's streets or driving through its picturesque surroundings that after decades as a closed Soviet military region, this once-beautiful Hanseatic port is rediscovering its roots and hoping to parlay them into prosperity.

"The city," Mayor Vitali Shipov said, "has reappeared on the European map."

To encourage foreign investment, reform-minded regional leaders have dusted off the grave of the German philosopher Immanuel Kant, renovated the war-ravaged 14th-century cathedral, spruced up old seaside resorts and replaced some Soviet street names with the original German.

Prussian city under Soviet occupation since 1945 finds its roots mean money.

Kant, renovated the war-ravaged 14th-century cathedral, spruced up old seaside resorts and replaced some Soviet street names with the original German.

Thus, Zhidnov Street, named after one of Stalin's now loathed henchmen, once again honors the German composer Johannes Brahms.

Some residents are even pushing to restore the name Königsberg. Officials have also tried to make the city more attractive economically. As the Soviet Union was collapsing in December 1991, authorities here quickly declared themselves Russia's first free economic zone, offering tax and other incentives for foreign businesses.

Russia's political uncertainty since then has slowed development, but interest has increased recently, as shown by the growing number of German and other foreign economic missions here.

Local officials boast that in just two years, the number of foreign-owned companies and joint ventures has jumped from fewer than 30 to about 500. Many are Polish, but the bulk of the investment, and the largest projects, are German.

After a mere trickle of visitors in 1990, more than 300,000 came here in 1992, mostly from Germany.

The main hotel, the Kaliningrad, is constantly full. Two hotel boats started operations this year — one owned by a German-Russian joint venture, the other by an Austrian-Russian company — specifically for the German tourist trade.

Nine foreigners attacked an immigrant hostel during the night in Solingen, on the Swiss border.

The police said the attackers set fire to mattresses and furniture piled against a wall of the building, but that no one was injured.

In Cologne, the police rounded up anti-racism demonstrators, many carrying weapons, after several hundred marched to protest a planned meeting Wednesday of an extremist party.

Since arsonists killed two Turkish women and three children on May 29 in Solingen in reunited Germany's worst extremist attack, several less-serious fires at foreigners' homes and shops appear to have been "copy cat" arson attacks, the police say.

Many of those detained in Cologne, including a group of Turks, were armed with knives, baseball bats, gas pistols and tear gas. Their target, a meeting of the small German League nationalist party, had been banned and did not take place, the police said.

Leftists have declared war on far-right groups after the firebombing in Solingen.

The southern German state of Bavaria banned a congress by the far-right National Democratic Party earlier this month because of security concerns.

Kohl, in Ukraine, Warns on Missiles

KIEV, Ukraine — Chancellor Helmut Kohl of Germany told Ukraine on Thursday that if it wanted Western aid it must move soon and dismantle the 176 former Soviet long-range nuclear missiles based on its territory.

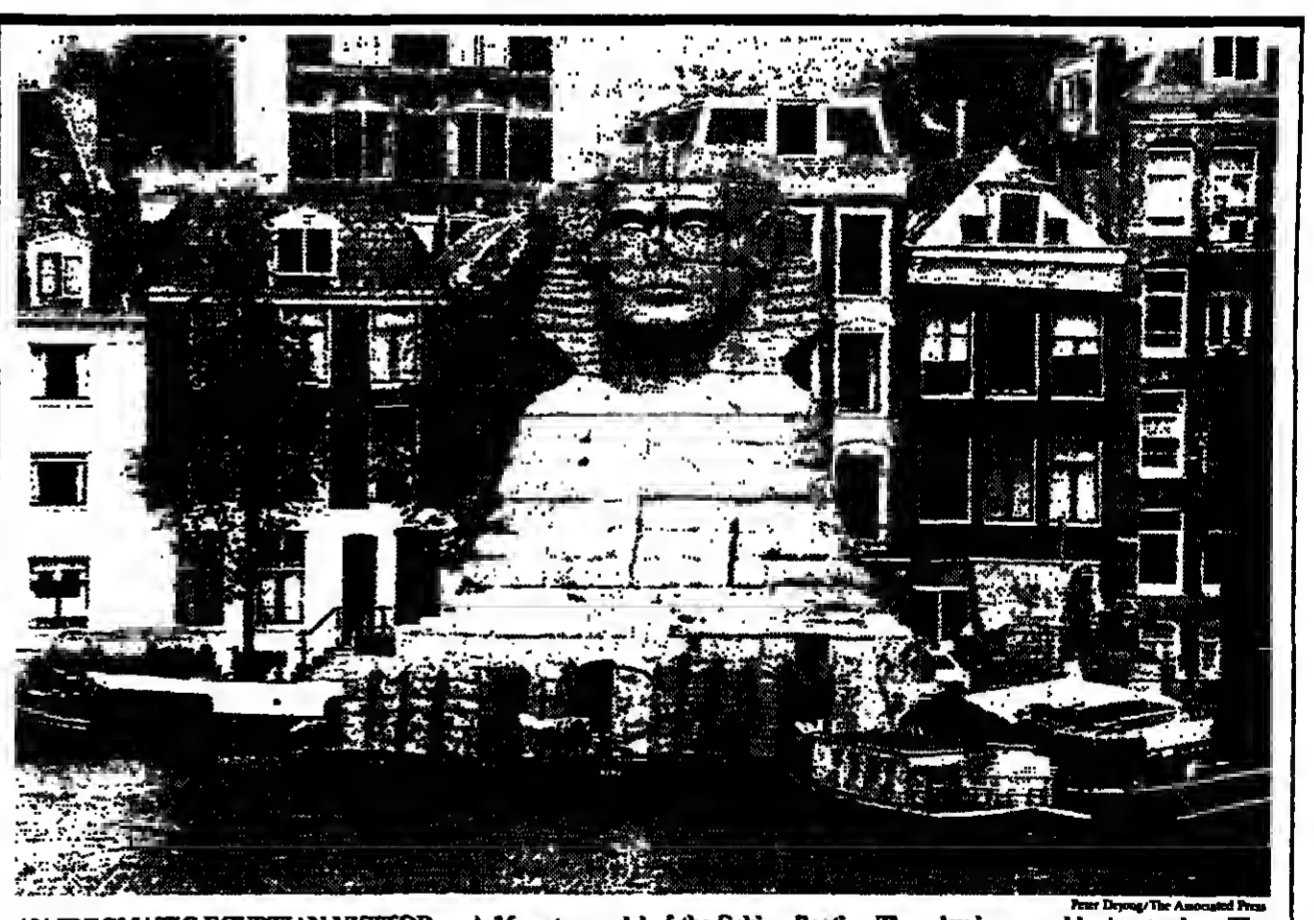
Mr. Brakling, like other Germans touring the villages, said he has detected no anti-German sentiment here. "On the contrary," he said, "when I told people I was looking for my family's place, people said, 'Come here and build it up again. We'll help you.'"

Officials said strong concern of indignation is evident only among the older generation, which fought the Germans and now feels humiliation watching the former enemy return so much richer and more powerful than hard-pressed Russians. Kaliningrad is in fact studied with memorials praising Red Army bravery and condemning German barbarity.

Kaliningrad today has the look of a typically drab, decaying city from the Soviet years. The charming German buildings featured on postcards sold on the street were destroyed in the war by guns and bombs and replaced by Soviet-style apartment complexes that now are crumbling.

Is there a German flavor to the city? The Germans fled from the Soviet Army or were deported after the war, and the entire region was resettled with Russians and other Slavs.

A German woman expressed that sentiment after a recent group nostalgia tour. "This is not Königsberg," she said with disgust. She and several companions vowed never to return. "I was born in Königsberg," she said. "This is Kaliningrad."



AN ENIGMATIC EGYPTIAN VISITOR — A 16-meter model of the Sphinx floating Thursday in a canal in Amsterdam. The model is an eye-catcher to promote the Giuseppe Verdi opera "Aida," which will be performed in the city from June 24 to 26.

EUROPEAN TOPICS

Nostalgic East Germans Want To Keep Right to Turn Right

East Germans miss their green arrows. For 30 years, they were allowed to turn right after stopping at an intersection if the way was clear and if there was a bright green arrow next to the stoplight, pointing right. They lost the right after reunification, but since then, Der Spiegel reports, state governments, expert commissions, scientific institutes, federal ministries and citizens groups have been hard at work studying the matter.

Arrow advocates say the right turn on red speeds the traffic flow and reduces fuel consumption and pollution. But opponents, including Germany's two big auto clubs, say the arrows increase the risk to children, bicyclists and the sight-impaired. They cite statistics from some American states where, they say, traffic accidents doubled after right-turn laws took effect.

A government ruling is expected soon. But some itchy-footed Eastern Germans have taken matters into their own hands: home-painted green arrows have been popping up in some cities.

Around Europe

British farmers are committing suicide at twice the national rate. Nick Read, an adviser to the National Farmers Union, says falling rural income has taken a toll, but that loneliness and a decline in public esteem have also played a part.

Greenpeace has become a big business more interested in selling "green alibis" than tackling tough problems, the former leader of its Norwegian office contends in a new book. "Greenpeace uses a lot more of its resources on recruiting members and making money than on protecting the environment," said Bjorn Oken, who was dismissed by Greenpeace last spring.

He said Greenpeace allows members to save their consciences with issues like whaling that do not affect their lives or buying habits, while "downgrading important tasks" — like attention to nuclear power and ozone depletion.

Geir Wang-Andersen of Greenpeace Norway dismissed these claims. While Mr. Oken, 53, says he was dismissed for rejecting Greenpeace's strict anti-whaling policy, Mr. Wang-Andersen says that "he was fired because he couldn't handle the job."

The Greens and many others in Portugal saw no humor in a minister's joke: After 17

patients in the Evora hospital in southern Portugal died of aluminum poisoning, Environment Minister Carlos Borrego asked a university audience: "Do you know what they do when people die in Evora? They recycle them for the aluminum." The comment provoked a furious reaction; Mr. Borrego was forced to resign.

How clean can you get? One in four Germans washes his or her hands 11 or more times a day, according to a recent survey for Focus, the German newsweekly.

In a first, a French torero has been recruited for the team of Spain's leading matador, Enrique Ponce. Many Spanish aficionados did not consider the Frenchman, Jean-Marie Bourret, 36, worthy. "They didn't understand why Spain's best matador would go to hunt up obscure Frenchman," Mr. Bourret said. The criticism did not faze Mr. Ponce: "He's good, so I didn't find it necessary to ask him for his identity card."

In a letter to The Times of London, G. Buckley of Chislehurst, Kent, suggests that since Britain's motorways are considering introducing Continental-style tolls, they might also adopt the French practice of giving highway names: "Their A6 is the Autoroute du Soleil, their A11, l'Occéane and so on. Might I suggest that we name the M6 Autoroute de la Pluie and the M40 Sanstollettes?"

Brian Knowlton

The Essence of Italian Pop Culture

Narrator (off camera): "And in the sprawling Pampas, where pistols make the law, the mysterious Caballero searches for the woman who has inflamed his heart. A voice rings out across the Pampas: 'Does Carmencita live here?'"

By Ken Shulman

FLORENCE—Once upon a time, in the days before remote control and cable, and even before commercial television, there was a show called "Carosello." It came on immediately after the evening news, lasted just 15 minutes, and was the only advertising allowed on Italy's state-owned RAI network.

It was also one of the most popular shows of its time, especially with children, who soon petitioned—and obtained—the solemn and inalienable right to watch "Carosello" before they could be sent to bed.

The most memorable moments of "Carosello" were the characters, settings and watchwords that have long survived the show. The Italian graphic and television advertising wizard who died last year just a few days short of his 75th birthday, now, Testa's multifaceted activity is the subject of a delightful retrospective at the Palazzo Strozzi in Florence.

If one wanted to trace an annotated graph of the desires and dreams of Italy over the past 50 years, the result would be something similar to the nearly 200 works on display in Florence.

Beginning with the simple, linear poster with which Testa, at age 20, won his first national competition, the Testa retrospective takes us from a maudlin postwar elegance through a burgeoning 1950s efficiency to the unleashed creativity of the '60s, into the infinite horizon of television and beyond. His chimeric advertising posters and logos—the elephant-tire for Pirelli, the horned and snorting automobile for Esso that exhorts commuters to put a rhino in their tank; the sphere and half sphere for the aperitif Funt e Mes—are a sublime, accelerated eloquence. One comprehends in an instant both the artist and the public that he so ably reached.

Testa's television advertising shorts for "Carosello" supplied a generation of Italians with an arsenal of catchy clichés—"The belly's gone, the belly's gone" (Sasso olive oil); "Call me Peroni" (Peroni beer)—clichés that became as essential a part of Italian popular culture as "Mamma Mia" or the Marlboro Man in America.

"I was born poor, but modern," wrote Testa in a 1987 essay. "At 15 years old,

instinctively, I aimed for simplicity and clarity in my drawing. Synthesis has been a way of life for me, in symbols and in words. Synthesis is marvelous, and when you use it, everyone is grateful."

While comprehensive, the concise retrospective is faithful to Testa's tenet. It is a shame that the exhibition curators, Germano Celant and Gillo Dorfles, do not adhere to the same spirit in their catalogue essays, essays that thankfully are not translated into English. "Lighten up," one feels the urge to shout, while slogging through the pages of self-serving semantic analysis that are needlessly applied to Testa's incredibly terse and communicative symbols. "Let's have fun for once."

AND the exhibition is great fun, not because the works are superficial, but because they are so accessible. Everything—media, meaning and metaphor—is on the surface. In his commercial art, and even in his later flights into "pure" painting and prints, Testa was a master of immediate and complete communication. His works transmit their message at 9600 baud. No hits are lost. And the image can be recalled in an instant, in its entirety.

In the early 1960s, when Testa and his studio had already established themselves

with successful campaigns for Martini & Rossi, Pirelli, Esso, and the symbol of the 1960 Rome Olympic Games, the Turin-born artist decided to embark into the great unknown that was television. Nowhere was Testa able to be so creative and playful as on the black-and-white screen.

Accordingly, the three video sections are probably the most entertaining elements in the Florence show, capable of arousing nostalgia even in first-time viewers. And although Caballero pursues Carmencita in Argentine-accented Italian, the action is explicit enough not to require translation.

From the wilds of the Pampas, Italy's most inventive graphic artist takes his viewers to Papalla, a planet 100,000 light-years from Earth populated by hyper-intelligent spheres who still use Philco brand refrigerators and televisions. A family of geese splashes in a pond and then tracks mud across a tile floor to show that Johnson's Wax can be washed up to five times after application. A man dreams that his belly has swollen to enormous proportions, and upon waking up to find himself slim again begins to sing. "The belly's gone." The city is corny and kitsch, but it sold lots of olive oil in its day. And it makes us laugh, fondly, in ours.

Ken Shulman is an American writer based in Italy.



Posters by Armando Testa: Borsalino hat, and Pirelli elephant tire, both created in 1954.

Women Widget Makers of Japan

By Christine Chapman

TOKYO—If necessity is the mother of invention, a group of Japanese women are making it a virtue by turning out hundreds of new gadgets each year. Some of the inventions are simple and practical, others would make Rubie Goldberg green with envy.

The Japan Women Inventors Association, founded by the now-honorary president Toshiko Kokonoe, celebrated its 40th anniversary recently with a show at Keio, a Tokyo department store. Of 170 inventions exhibited, 10 were given prizes. Some of the winners are the Welfare Ministry, the Japan Trade Committee and NHK, Japan's national broadcasting company. Several are for sale at Keio in the home furnishings department.

There, balanced on overfilled shelves are a Silver Car for the elderly, Diet Slippers for



scarves and ties, sashes and handbags, and coats and vests.

With a tip of her jaunty hat to all the women wannabes who don't make it, Kokonoe, now 90, acknowledged during an interview: "Nobody got rich or famous from this. Many people think 'Let's invent something and be rich.' But to succeed is not necessarily the same as being successful. I suggest patience and hard work. I also tell members to invent a product that consumes itself, that uses itself up, so customers will buy more. That's being realistic."

If they have an invention, the 300 members of the association, most of them wives and mothers who range in age from 30 to Kokonoe's 90, must submit it to a selection committee that represents government agencies, sponsoring companies like Keio and Tokyo lawyers. Nonmembers are also invited to present inventions to the committee.

This spring's top awards were eclectic as usual: a water valve that controls the flow of drinking water to a patient lying in a hospital bed won the Welfare Ministry Prize; a clever doll-making device, called Fuzzle Doll, designed to make the small, imperial dolls used for display on Children's Day, won the Science Research Institute Award; a commonsensical space-saving hanger for sheets won the NHK Prize. Since few Japanese homes have driers, women hang their sheets horizontally on one long stick or plastic shaft on the apartment balcony. Some weary woman decided that two sticks, one above the other, are better than one.

These women are not inventing the wheel. Most of their popular inventions are ordinary, almost nondescript household items that was a critical finger at Japan Inc.'s general indifference to the nasty side of housework.

Occasionally the women come up with gadgets to solve persistent problems. How to get the old folks around the block by themselves? Build them a Silver Car, a knock-off of an infant stroller that they push to help them walk, balance packages on or even sit down on when it folds into a stool.

How to lose a few pounds? Cut slippers in half, raise the arch and voila! the very popular sandal-like Diet Slippers that keep wearers tilted forward burning up calories and improving swayback stoosh.

How to keep dry in the rainy season? The women from the country that invented the paper umbrella now use a conventional model with an attached arm cover to keep the holding arm dry, a rain skirt to wear shopping, and a rain poncho for the dog with matching cap.

How to sleep on the subway without losing two or three shopping bags? Connect a luggage strap to the handle and stick it into the seat, then nod off.

Kokonoe, has 10 inventions to her credit and has written six books with titles like "Knitting Machine Lessons," "The Present Is a Continuation of the Past" and "Even Through I'm Old."

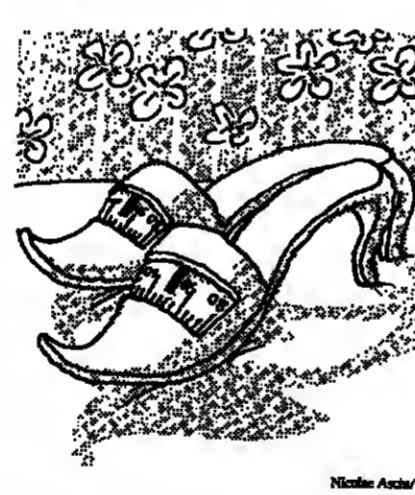
Kokonoe's latest invention is a mohair scarf called Zuremi, meaning "it doesn't slip off." At 200,000 yen, about \$1,850, all 30 of them sold out at an exhibition last spring.

Prices for less exotic creations are competitive with a department store's regular line. The Silver Car is 15,000 yen, but smaller inventions like a tiny jar of face cream start at 300 yen. Since 1967 the Japan Women Inventors Association has donated more than 10 million yen to a children's cancer fund.

Kokonoe founded the group in 1953 by breaking off from the Hatsumei Kyokai, a male-run inventors association that assembled its fellows from the would-be economic giants.

"Their president was Masaru Ibuka, co-founder of the Sony Corp.," Kokonoe said. "We are like their daughters, curious and practical. Women make good inventors because of our love for family."

Christine Chapman is a free-lance journalist who specializes in the arts.



the chubby, arm covers to protect the arms while doing household dirty work, cooking nets for boiling vegetables, laundry nets for washing oylons or silks, knee covers to ease the pain when scrubbing floors on all fours and the Two Sticks Duster that shoots up to knock down dirt and cobwebs.

Not on display is the historic Oriki, Kokonoe's knitting machine, a loom that uses any fabric—silk, wool, leather, even beads and stones—to make wonderful

HEAR THIS

Reflections while on hold at a dollar a minute: Voice mail is a dandy invention, right up there with the fax when it comes to communicating with folks without actually having to talk to them. But when the music coming back at you while you're waiting to connect is "I can't get on / sat-is-fack-shim," you do wonder why you bother.

THE MOVIE GUIDE

Madadayo
Directed by Akira Kurosawa.
Japan.

The title is taken from the response in the game of hide-and-seek. "Madadayo?" ("Are you ready?") calls one child, and the answer is "Madadayo" ("Not yet"). This is also the response of the aged and eccentric hero of this picture to death's constant querying of "Madadayo?" And it is one that is echoed by director Kurosawa himself, now 82, old and celebrating his 50th anniversary in the film. Basing this latest picture on the sketches of Hyakken Uchida, a droll and much-loved popular writer, he celebrates the refusal of a retired professor to stop living and records the adulation consequently exhibited by his students. Like the retired professor of the 1946 "No Regrets for Your Youth" he refuses to give up, and like the dying bureaucrat in the 1951 "Ikiru" he keeps his integrity. Otherwise there is little resemblance to the earlier cinema. Like Jean Renoir, Kurosawa in his later years is making a different kind of picture. This one is filled with gentle humor, wry and donnish playfulness, and a plain didacticism that emphasizes the urgency of the question: "Madadayo?" (Donald Richie, *HTT*)

What's Love Got to Do With It?
Directed by Brian Gibson.
U.S.

The film begins perfectly. It shows Anna Mae Bullock (Raeven Kelly) as a shy little country girl singing with a church choir. The song is "This Little Light of Mine," and Anna Mae is letting her own light shine a lot more brightly than the choirists want to. This girl can't help herself. She has a natural talent. It's a gift that will save her from poverty and obscurity, turn her into the world-famous musical dynamo known as Tina Turner, and place her in the clutches of a sexy, smooth-talking Svengali named Ike. Tina Turner suffered years of vicious beatings, marital infidelities and other indignities. It took vast courage for her to break free and tell her husband, "Go straight to hell, Ike." Depicted by this broad,



Russell Crowe in "Romper Stomper" and Angela Bassett as Tina Turner.

savvy, entertaining film as a survivor and a victim in equal parts, Turner becomes an emblem of contemporary tell-all dramaturgy. She also remains something of a cipher, since "What's Love Got to Do With It" has the ring of an authorized version. As played by Angela Bassett, who transmutes herself remarkably into the kind of hard-working powerhouse Turner is onstage, this film's heroine is largely uncomplicated, motivated by decency and fear. The deeper, more painful side of her experience remains unexpressed, except through the depiction of the riveting villain. The brilliant portrayal of Ike by Laurence Fishburne is what elevates this film beyond the run-of-the-mill biography. (Janet Maslin, *NYT*)

skinheads terrorizes a group of Vietnamese immigrants, through a prolonged sequence in which the Vietnamese strike back at their tormentors, the film ceases at being in the thick of action, that is often savagely and justifiably violent. The gang in question is a bunch of swaggering, misfits and their cackling camp followers who occupy a used-tire depot. In Russell Crowe, who plays the skinheads' sinister leader, Hando, the film has a mixture of menace and animal magnetism that suggests a post-rumk answer to Martin Scorsese in "The Wild One." For these alienated, frightened losers from unhappy family backgrounds, the skinhead way of life is just a hook on which to hang their rage. (Stephen Holden, *NYT*)

Jonah Who Lived in the Whale
Directed by Roberto Faenza.
Italy-France.

Based on the autobiography of Jonah Oberasi, Roberto Faenza's film tells the story of a family of Dutch Jews deported from their home in Amsterdam to the Bergen-Belsen concentra-

tion camp. It is a story that has been told—and needs to be—often repeated. The novelty here is the point of view: "Jonah" is narrated by a 4-year-old named Jonah, a boy who is charged with the task of witnessing the abrupt uprooting of his family, the incomprehensible deprivation of Bergen-Belsen, and the deaths of both his parents, all this while still retaining a tangle and shielding store of innocence. The task is too unwieldy for Faenza's Jonah—and would be perhaps for any voice child or adult, compelled to give meaning to the Holocaust.

There are moments of sublime tenderness in "Jonah." Jean-Hugues Anglade is superb as Jonah's fond but fragile father, Max, and Juliet Aubrey is equally convincing as Jonah's courageous, resilient mother, Anna. Still, as both document and film, "Jonah" is ultimately inconclusive and dispirate.

Perhaps Faenza, who wrote the screenplay with Filippo Ottone, should have intimated that this first person account of abstract cruelty might best have been left on the page and off the screen. (Ken Shulman, *HTT*)

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I E I S U R E

In London, There Are Many Ways to Cut Corners in Style

By Roger Collis
International Herald Tribune

SEVERAL years ago, a friend of mine who had just started as a consultant stayed at a cheap hotel when he was on a field trip or doing research, but splurged on the best of means when he was meeting clients. The secret is knowing when and how to cut corners and how to do it in style.

Whatever the exchange rate, I always find London ridiculously expensive. Lunch or dinner for two might set you back \$150 (about \$225) or more in a fancy restaurant. And hotels cost \$200 or more a night. But there are ways to save money in style.

Nobody pays the published rate at a hotel these days, but even a corporate rate may not be the lowest. You can often do better with last-minute weekend rates, or coupon books, such as Half Price Europe. The drawback is that they are on a space-available basis.

Hotel Express International offers 50 percent off standard rates at about 30,000 hotels around the world — including 38 properties in London. You can gain access to these by joining the United Kingdom program, which costs \$40 a year. (There also are international

and European programs.) You can book direct or through Hotel Express.

Breakfast has to be one of the greatest bargains in town. Breakfast at even the poshest hotel is unlikely to cost more than £20 a head. You enjoy the same atmosphere and opulence and nature of a somehow seem less intimidating than for lunch or dinner.

A popular venue is the Fox & Anchor at 115 Charterhouse Street, off Smithfield Market, close to Fleet Street. At 6 A.M. you can

join meat porters and BBC executives for a heroic English breakfast washed down with Guinness or Champagne.

Britain's Institute of Directors canonized the business breakfast by converting the mens' room at the old United Services Club, next to its Pall Mall headquarters, into an authentically paneled brasserie. The power hungry can start their day with a choice of prunes, green figs, kippers, Cumberland sausages, black pudding, pancakes and syrup, eggs, bacon, tomatoes and mushrooms with Indian or Chinese tea, coffee or chocolate (£8.25). After that, who needs lunch?

You might be tempted by a prix fixe menu

at an expensive restaurant costing as little as half the à la carte price. (Look for the British Tourist Authority "Fixed Price Menu" sticker.) According to Bob Payton, a native Chicagoan and a London resident — who owns the My Kinda Town chain of restaurants — the best value set lunch in London at present is at Les Saveurs, on Curzon Street, which costs £18 per person. Or try Les Célestins at the Monticini Hotel on Great Cumberland Place, which offers two courses and coffee for £16.50 and three courses for £18.50 and unlimited French wine. The Capital Hotel on Basil Street has an excellent value set lunch at £20 to £25 per person. (The set dinner is £25.)

What a short-term visitor to London needs (even someone, especially someone, who knows the place) is an eclectic, up-to-date guide that gives the essentials fast. Such a guide is "The Beefsteak 2-Day Guide to London" by Stephen Bayley, which was published last month.

"I wanted to do something that does not waste time for people who are short of time and a little money to spend but don't want any bum steers," Bayley says.

"The astonishing thing about London," he said, "is that you can actually have the very best for relatively little. I've tried to give the

very best. Quality is quite separate from price."

But Bayley doesn't give prices, so watch out! There are recommendations on where to go shopping, where to lunch and have a drink, where to see a movie.

If you need to "satisfy a rich craving for chopped liver, gefilte fish and poor Israeli wine," Bloom's (tel: 071-247-6001) in White-chapel should be just right. "Masochists and voyeurs" should try Sweeting's (tel: 071-248-3062), where "quality of fish is good and white wine is served startlingly cold by a brusque waiter"; Geale's (tel: 071-727-7969) is an "unpretentious fish and chip restaurant popular with Kensington families gastro-touring."

"The Beefsteak 2-Day Guide to London," by Stephen Bayley (Bloomsbury), £7.99.

Hotel Express International, 5 Ivory Square Plantation Wharf, York Road London SW11 3UE. Tel: (071) 924-2626. Fax: (071) 738-1609.

Half Price Europe, 2125 Butterfield Road, Troy, Michigan 48064. Tel: (313) 637-8400.



DO'S AND DON'TS

- Half-Price Hotels**
Do consider a half-price hotel program like Hotel Express International, which gives members a 50-percent reduction on standard room rates at 38 London hotels.
- Fixed-Price Menus**
Do look for fixed menu casting as little as half the à la carte price for lunch and dinner at otherwise expensive restaurants.
- Taxi Comfort**
Don't try and economize on taxis. They are expensive, but the most comfortable and efficient way of getting around.
- Service and Tipping**
Don't give a big tip when the bill already includes a 15-percent service charge. A pound or two on top will do, if the service has been good.

THE ARTS GUIDE

- AUSTRIA**
Vienna
Kunsthistorisches Museum (tel: 52.177). To June 27: "Die Welt der Maya." More than 300 objects explore the world of the Maya which spans Belize, El Salvador, Guatemala, Honduras and Mexico.
Oesterreichisches Museum für angewandte Kunst (tel: 71.136). To Aug. 29: "The City Inside Us: Vito Aczonci." Aczonci's installations put into question conventional notions of space and time.
- BELOW**
Antwerp
Koninklijk Museum voor Schone Kunsten (tel: 238.7800). To June 27: "Jacob Jordaens: 1593-1678." A Flemish tribute to the Baroque artist, with more than 100 paintings, drawings and prints.
Kunsthistorisches Museum (tel: 52.177). To June 20: "De Kunst van Rubens: L'École de Peinture Anversoise, 1550-1850." One hundred and fifty works by local artists.
- BRITAIN**
Cambridge
The Fitzwilliam Museum (tel: 332.900). To June 20: "Nature's Way: Romantic Landscapes from Norway." More than 120 oil studies, watercolors, drawings and prints by the Norwegian landscape painter John Christian Dahl and Thomas Frøberg.
Royal Festival Hall (tel: 612.3211). To June 21-26, July 19, 20, 22: "Glyndebourne Festival Opera." The London Philharmonic and the South Bank Centre present a series of concert performances and operas.
- London
Accademia Italiana delle Arti delle Arti Applicate (tel: 225.9474). To July 22: "Italian Art Treasures: 16th to 18th Century." Paintings by artists from Italy's Emilia-Romagna region range in style from Mannerist to Baroque.
Barbican Centre (tel: 638.5408). To June 25: "Natchez on the Mississippi." More than 200 photographs document the history of Natchez, a small town in America's deep south, between 1870 and 1913. To Aug. 30: "Textiles From the East." Contemporary decorative hangings from China, South and Southeast Asia.
Design Museum (tel: 403.8933). To July 22: "Deconstructed Dreams." Photographs by Graham Evans document contemporary British society through trends in design.
Hayward Gallery (tel: 921.0886). To June 27: "Georgia O'Keeffe: American and Modern." Features more than 80 oil paintings, watercolors and charcoal drawings by the American artist.
National Gallery of Art (tel: 737.4215). To June 20: "Paintings from the Bowes Museum." Includes works by Botticelli, Fra Angelico, Giotto, Goussier and Courbet.
To July 11: "Tradition and Revolution in French Art: 1700-1880." Features works by Chardin, Greuze, David, Girodet, Delacroix and Courbet.
July 25: "The Great Age of British Watercolor: 1750-1880." Masterpieces by more than 70 artists, including Gainsborough, Constable, Blake and Turner.



William Marshall's photograph of Abraham Lincoln and Frederick H. Evans's picture of Aubrey Beardsley are part of "The Waking Dream: Photography's First Century," a show at the Metropolitan Museum of Art.

Tate Gallery (tel: 621.1313). To Sept. 5: "Paris Post War: Art and Existentialism 1945-55." Paintings and sculptures by some artists whose works were effected by the turbulent climate after World War II.

Manchester
The Whitworth Art Gallery (tel: 273.4835). To June 29: "Lucienne Day: A Career in Design." A retrospective of the designer's last half-century of work. To July 31: "Royal Residences of the Victorian Era." An exhibition of watercolors from the Royal Library at Windsor.

Oxford
The Ashmolean Museum (tel: 278.009). To July 17: "Rembrandt: Etchings and Drypoints." More than 60 works by the Dutch painter, draftsman and etcher, including biblical and genre studies, portraits and landscapes.

so Artists." More than 85 prints created by Czech artists between 1897 and 1947. Includes works by such artists as Zdenka Braunerova, Altona, Mucha and Frantisek Kupka.

DENMARK
Humlebeak
Louise Museum of Modern Art (tel: 42.19.0719). To Aug. 29: "Georg Baselitz: 1899-93." Recent paintings, sculptures, drawings and graphics.

Paris
Musée d'Art Contemporain (tel: 66.76.35.35). To Aug. 31: "L'œuvre de Paul Klee." Includes more than 130 oil paintings, drawings, watercolors and monumental compositions.
Grand Palais (tel: 44.13.17.17). To June 14: "La Sicile de Titien." Concentrates on the works of Giorgione and Titian and examines how the pair influenced others in Venice during the 16th century.
Jeu de Paume (tel: 47.03.12.50). To June 20: "Eva Hesse." A retrospective of the Abstract Expressionist whose works gained popularity in the mid-1960s.

Museum of Louvre (tel: 40.20.50.50). To Aug. 6: "Christ e la Colonne d'Antonio de Mess-

- ine." Paintings and drawings by 15th-century Flemish and Italian artists whose works were influenced by the artist who Messine's "Le Christ e la Colonne."
- Musée Picasso (tel: 42.71.25.21). To June 26: "Picasso: Toros y Toreros." Paintings, drawings, sculptures, engravings and ceramics center thematically on bullfighting.
Musée du Petit Palais (tel: 42.66.12.73). To July 18: "Spielmann de Fussler: 1868-93." Recent works in painting, sculpture and graphics.
- Frankfurt
Palais de Tokyo (tel: 47.23.36.53). To June 26: "La Main de l'Homme." Photographs by the Brazilian Sabatellu Saito taken during a six-year study of human beings at work around the world.
- GERMANY**
Berlin
Martin-Gropius Bau (tel: 894.5078). To July 26: "American Art in the 20th Century." Two hundred paintings and sculptures by 60 artists assess the achievements of 20th-century American art from a European viewpoint.
Städtische Museum (tel: 266.2629). To Jan. 31: "Filices: Interior and Design in Deutschland." Focuses on trends in architecture and interior design in the reconstruction efforts after World War II.
Bonn
Kunst und Ausstellungshalle der Bundesrepublik Deutschland (tel: 917.1200). To July 11: "Dancing Images: Flags of the Far East." More than 100 traditional flags with tribal insignias from the coastal Ghana region.
Kunststammung Nordrhein-Westfalen (tel: 63.810). To July 11: "Artists." More than 100 pieces of Australian Aboriginal art.
Munich
Bayerische Staatsgalerie
Munich (tel: 238.0500). To July 25: "Max Beckmann: Selbstbildnisse." A retrospective of paintings, lithographs and woodcuts by the German artist.
IRELAND
Dublin
The Irish Museum of Modern Art (tel: 718.666). To Aug. 22: "Eilene Hoche." Nineteenth century culture in the United States as illustrated through photography, paintings, knitting and needlepoint.
- ISRAEL**
Jerusalem
The Israel Museum (tel: 768.8111). To July 13: "Uri Katzenstein, M.S.E." Mixed media installations by the Israeli sculptor and performance artist. To Aug. 25: "Biblical Paintings in Rambrandt's Holland." Paintings depicting Jewish life in 17th-century Holland.
- ITALY**
Bologna
Galleria Comunale d'Arte Moderna (tel: 602.859). To Aug. 31: "Duo Secoli di Pittura a Bologna." The artistic experience in Bologna in the 15th and 20th century. s.c. ommuned.
- JAPAN**
Kobe City Museum (tel: 99.10.02). To June 27: "Thomas Mcknight Easton." A retrospective which includes more than 80 of the artist's silk-screen prints.

- KYOTO**
The Museum of Kyoto (tel: 75.222.2582). To July 4: "Gems of Eurasia. Treasures from Russia." Collections from renowned museums in Russia, including the Hermitage in St. Petersburg. Includes about 170 archaeological relics, sculptures and gold objects, as well as treasures from ancient Egypt, Greece and Rome that were collected by Czar Peter I.
Shiga
Museum of Modern Art (tel: 43.21.11). To June 26: "Traditional Japanese Craftworks." Two hundred and fifty examples of various handicrafts, including pottery, woven materials, lacquerware and gold objects.
- NETHERLANDS**
Amsterdam
Van Gogh Museum (tel: 570.5200). To Aug. 29: "The Potato Eaters." Drawings and paintings from van Gogh's "Potato Eaters" period which he finished in 1885.
Arnhem
Sonsbeek 93 (tel: 429.044). To Sept. 28. An international exhibition of large installation pieces at various sites throughout Arnhem. Includes creations by more than 45 contemporary artists from Western and Central Europe and the United States.
- RUSSIA**
Moscow
The Pushkin Museum (tel: 095.2039578). To June 27: "The George Critic Collection." Some 200 figures and other pieces spanning 30 cultures from the Neolithic age to the late Byzantine period.
- SPAIN**
Barcelona
Fundació Joan Miró (tel: 329.1908). To Sept. 10: "Joan Miró: 1893-1983." Commemorative exhibition of the painter's centennial.
- The New York City Ballet presents a series of Balanchine choreographies, including "A Midsummer Night's Dream," "Harlequinade," "Burgk" and "Square Dance."
The Metropolitan Museum of Art (tel: 879.5500). To July 4: "Lorna Nages: A Peruvian Lord's Torso." More than 120 pieces created in the 3d century by the Moche people of Peru. Features a broad array of funerary objects, adornments, headdresses, masks and necklaces. To July 4: "The Waking Dream: Photography's First Century." More than 250 works trace 19th-century photography in England, France and the United States.
Museum of Modern Art (tel: 708.9480). To July 6: "William Wegman's Cenciarella." The American artist retells the classic tale with photographs of Weimaraner dogs in costumes and settings. To July 6: "Reading Prints." A survey of contemporary art in print mediums.
National Museum of Women in the Arts (tel: 783.000). To Aug. 1: "Ura Modern: The Art of Contemporary Brazil." A survey of contemporary Brazilian artists, including works by Frida Baranek, Maria Bonomi, Clementina Duarte and Lygia Clark.
- Passaden
Norton Simon Museum of Art (tel: 449.8940). To July 11: "La Fiesta Brava: Goya's La Tauromquia." More than 40 engravings from Goya's series on bullfights. To Sept. 18: "Paintings and Works on Paper by John Alton." Paintings, drawings and prints dating from 1956-68 by the Los Angeles artist.
- Washington
Corcoran Gallery of Art (tel: 638.3211). To Aug. 29: "Fable and Fantasy: The Art of Felix Lortz." Drawings and watercolors by the French children's book illustrator.
Smithsonian Institution (tel: 357.5272). To Sept. 6: "Beyond Category: The Musical Genius of Duke Ellington." Includes musical instruments, posters, memorabilia, photographs and scores.

CANADA
Quebec
Centre d'Architecture d'Architecture (tel: 939.7020). To Aug. 8: "Imagés de Villies Idées: Les Expositions Universales." Documents, photographs and plans for universal exhibitions, including the fairs in Paris (1900), New York (1893-40) and Seattle (1983), among others.

Toronto
Art Gallery of Ontario (tel: 977.0414). To June 20: "Norman Vethlein: Vethlein's photographs document Jewish communities of Lublin, Krakow and Warsaw in the 1930s. To Aug. 1: "Master Prints from the Museum's Private Collection." Features more than 100 prints realized between the 15th and 20th centuries. Included are works by Dürer, Rembrandt, Gauguin and Picasso.

THE CZECH REPUBLIC
Prague
Klementine Palace (tel: 231.5135). To June 20: "France and Czech Graph-

ics and State of Being on matters autobiographical.
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Vidal is nothing less than an old-fashioned bookman. He took the path to Rome, he claims, to be near his classical library when he was working on Julian (the Apostate). A long essay on Lincoln out-edges the professors, refuting every doubt about the excesses of his knowledge of the president and his times. In fact, though our man may look like a movie star and have the

name to match, he studies like a Cistercian.
Vidal believes that accurate and entertaining description should be the main function of criticism. Describe a novel properly and there's no need to trot out the demerolized adjectives of book-chat, let alone the jargon-torn and syntax-tortured sentences of post-structuralism.
Here it is, the famous Vidal style: witty, conversational, astringent, often highly personal, even gossip. Never does one sense the ordinary book reviewer's rush to judgment. Here are leasely openings, a carefully contrived structural artlessness, curbing digressions, good talk. The sentences themselves buzz contentedly with half-veiled allu-

sions, retooled cliches, quiet puns, unexpected juxtapositions.
Example? Consider this wry mortaring of the hallowed and the hip: "Elsewhere in the Old Testament, the love that Ruth felt for Naomi was of a sort that today might well end in the joint ownership of a ceramics kiln in Laguna Beach."
But now and then the allusions almost overwhelm the sense, as in this title-strewn sentence: "For Prokosh, each of the seven who flees is both generalized essence and specified ape, while the dark gravel-strewn Gobi beneath the sheltering sky that does not shelter is simply an extension of a shifting, living cosmos where man is all things that man observes; and the only constant is change — hence, the romantic's agony."
Yet Vidal can also be so plain you may think he's joking. "I date the end of the old republic and the birth of the empire to the invention, in the late thirties, of air conditioning." Before AC, Vidal explains reasonably, the politicians would abandon Washington in the summer; now they stay around all through the year, making mischief.
As an essayist, Vidal rises far above disinterestedness. He is frankly a provocateur and a partisan. When he writes on literary subjects or old friends, this makes for letter-perfect journalism; but when he turns to sex and politics the tone sometimes grows shrill, the humor heavy-handed, the message repetitive. Again and again Vidal tells us that everyone is really bisexual in his impulses, that today's novels are written to be taught not read, that the rich really control America, that we need to limit population growth, that certain intellectual Jews belong to an Israeli fifth column, that families are the chief means of keeping workers in their exploited place.
Still, Gore Vidal is the master-essayist of our age, and we should thank the gods that we still have him to kick us around. Long may he flourish.

Michael Dirda is on the staff of The Washington Post.

BRIDGE

By Alan Truscott

A FAMOUS story by Robert A. Davis concerns a professor of logic who taught himself bridge from a book. The club secretary reluctantly permitted him to join a game, but aborted it when the professor's first move, as defender, was to lead from a king into an A-Q combination in dummy on his right. The secretary was then embarrassed when the professor demonstrated that he had found the only winning defense.

The nearest parallel in real life may be Gregory Robbins, an 18-year-old senior at Trinity High School in Manhattan. At the beginning of 1992 he played hearts, a game favored by President Clinton when relaxing. He decided to try bridge, and read a series of books, starting with Alfred Sheinwald's "Five Weeks to Winning Bridge" and ending with Larry Cohen's "Law of Total Tricks."

Encouraged by his mother, Suzanne Robbins, and by an expert friend, Jim Sampson, he began playing in clubs and by year's end had accumulated 80 master points, making him the American Contract Bridge League's Rookie of the Year.

Playing with Sampson in a set game at the Beverly Club, Robbins opened the West hand shown in the diagram with a gambling three no-trump, indicating a long solid minor suit and little else. Over North's double East bid five diamonds, and South's five-heart bid was carried to six by his partner.

After a routine diamond lead South would have had no trouble, for a club can eventually be discarded on the last spade in the dummy. But Robbins recognized that North's aggressive bidding was most likely based on a diamond void. He drew the correct inference from the five-diamond

NORTH		WEST (D)		EAST	
AKQ5	K10872	AK	102	AKQJ	73
QK8		84	5	AKQJ983	AJ1072
		4		Q	AJ10873
SOUTH		WEST (D)		EAST	
J974	QAJ85	AKQ	102	AKQJ	73
10	5	84	5	AKQJ983	AJ1072
		4		Q	AJ10873

North and South were vulnerable.
The bidding:
West 3NT, East 5♦, South Pass.
West led the club queen.

UNITED STATES:
Essays 1952-1992
By Gore Vidal, 1,272 pages, \$33.
Random House.

Reviewed by Michael Dirda

OVER the years, nearly half a century now, the once precocious 20-year-old author of "Williwaw" (1946) has triumphed in nearly everything but electoral politics: His winning name may currently be glimpsed inside the envelope for best historical novelist ("Julian," "Burr," "Lincoln"), most exhilarating essayist, favorite talk-show guest (intellectual division), wisest gaffer, and least appreciated Cassandra (political section).

Even his artistic failures, mainly cinematic, have the stuff of legend in them ("Myra Breckinridge," the X-rated epic "Caligula").

To such lavish plenty one should also include a faithful companion of 40 years, a circle of friends that loops from Paul Bowles to Paul Newman and, best of all, a book-lined apartment in Rome.

Like another noble Roman, Vidal has his gall and he divides his grandiose life into three parts: State of the Art into three parts: State of the Art into three parts: State of the Art into three parts: State of the Art into three parts: State of the Art into three parts: State of the Art into three parts: State of the Union on politics and

its discontents; and State of Being on matters autobiographical.
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Aviation

As Asian Region Takes Off, The Order Books Fill Up

By Robert Bailey

LONDON — For recession-hit aircraft manufacturers, the Asia-Pacific region is proving to be one of the few bright markets where demand is remaining consistently high for both civil and military purposes.

With population levels 10 times that of North America and six times that of Europe, and with rapid economic growth rates well in excess of major trading rivals, aerospace companies confidently view Asia as a long-term growth market.

An indication of the potential is China, where air traffic is expanding by a phenomenal 20 percent a year. It is expected to sustain a similar annual growth for the rest of the 1990s. This year Chinese airlines will carry some 33 million passengers to over 200 domestic destinations. Officials estimate that 800 new aircraft will be needed in the next 15 years just to keep pace with the country's traffic growth.

Apart from acquisition of aircraft, new airports are being developed and former military bases converted to civil use. As a result, up to \$2 billion of investment is scheduled to be spent on installing new air traffic control systems.

Aviation development is being boosted by a gradual liberalization of civil aviation by Beijing that includes plans to permit foreign investment in state-owned airlines and airports.

Apart from the main international carrier Air China, a number of other airlines are expanding. These include China Southern, Shanghai-based China Eastern, China Northern in Shenyang, China Southwest in Chengdu and China Northwest in Xi'an.

China Southern, located in the country's rapidly growing Guangdong industrial region, is the fastest growing of these airlines. Operating 23 Boeing 737 aircraft, it carried 5.8 million passengers in the first nine months of 1992.

Last year, China Eastern placed a \$555 million order through China Aviation Supplies for five Airbus A340 wide-body aircraft, plus an A300 and a number of Fokker 100 jets. Not surprisingly, China has become one of the world's most competitive areas for Western aircraft manufacturers as they struggle to compensate for falling order books in other regions.

Boeing has sold a total of 126 aircraft to China. These include a contract for 20 737-300s and one 757-200, valued at \$900 million, placed this year. The company is hopeful that a further order will follow in 1993 for its new 777 aircraft as well as 767s.

Arbus as well as McDonnell Douglas are also working hard to carve a niche in the Chinese market. The latter has a well-established joint venture with the Chinese government to co-produce MD-80 and MD-90 twin-engine medium-range airliners. Boeing is also discussing the possibility of setting up a co-production venture involving its single-aisle twin-engine 737 aircraft.

China's aviation growth is being reflected elsewhere in the Far East. In the last two years Taiwan has witnessed the start-up of two new international airlines, Eva Air and Mandarin Airlines. South Korea has also seen the formation of the state-owned Korean Air. The new airline will be operating five Boeing 747-400s by the end of 1993.

Indonesia's Garuda also faces competition from the recently formed Sempati Air. Vietnam Air is looking to replace its Russian-supplied fleet to meet an expansion of international traffic. In Rangoon, a new airline, Myanmar Airways International, is due to start operations shortly.

The expansion of Asia's civil aviation is also being reflected in the military area, with development of air power ranking high on the region's defense budgets.

Defense planners in Japan are reported to be considering acquiring 500 military aircraft from 1995 onward. Immediate attention is focused on the country's own FS-X fighter development program and acquisition of Boeing 767 airborne warning and control system aircraft.

Enhanced versions of combat aircraft are also in demand. Singapore, which is due to receive F-16 A/B aircraft, is trying to acquire the more advanced C/D version of the aircraft.

INDONESIA is finalizing an order for 24 British Aerospace Hawk fighter aircraft. An additional 72 aircraft may also be acquired in the long-term. And the Royal Malaysian Air Force is currently evaluating the F-16, McDonnell Douglas F-18, Swedish Saab JAS39 Gripen and Russia's MiG-29 for its own needs.

Russia is making a determined effort to meet the Malaysian Air Force's requirements with a reported offer of 18 MiG-29s and six Mi-35 helicopters plus training and support. Last year, Russia sold armaments valued at \$1.8 billion to China, including two squadrons of Sukhoi Su-27 fighter-bombers and SA-10 anti-ballistic missile batteries. As a direct result, Washington authorized the sale to Taiwan of 150 F-16 fighters. The Taiwanese government has also ordered 60 Mirage-2000-5 fighters from France's Dassault.

Taiwan is developing its own Ching Kuo fighter, and until the United States agreed to sales of the F-16, it intended to build 130 of the combat aircraft. Japan's Mitsubishi is due to manufacture a similar number of its FS-X fighter aircraft. The British Aerospace Hawks ordered by Indonesia are due to be assembled locally.

Indigenous aircraft production is becoming more important in Asia. In the next century the region's aerospace industry has the potential to play as influential a role in world export markets as the Far East's automobile producers enjoy today.

ROBERT BAILEY is a London-based writer specializing in aviation and technology.



The design for the supersonic commercial airliner now under study.

Germany Spreads Its Wings

International Herald Tribune

LONDON — For a decade after World War II, the building of power-driven aircraft by Germany was proscribed. It was not until Messerschmitt-Bölkow-Blohm (MBB) became a senior partner in the Panavia consortium with Britain and Italy, to develop the Tornado fighter-bomber, in 1969 that German industry again focused on major aerospace activity.

Today, German reunification has taken place and the country's aircraft manufacturers employ 60,000 people in a sector ranking fourth largest in the world after the United States, Britain and France.

But the German industry's ambitions are being eroded by government budget cutbacks and the problems of finding alternative sources of funds for the scale of research and development needed for future projects.

Deutsche Aerospace (DASA), founded as a subsidiary of Daimler-Benz, is responsible for more than 80 percent of the country's output. It is also a principal force in Europe's aerospace sector. Its subsidiary Deutsche Aerospace Airbus, for example, develops and produces about a third of all the European consortium's products. Further muscle was added in April this year when DASA acquired a 51 percent controlling interest in the Dutch company Fokker. As a result, DASA holds a dominant position in Europe's small- to medium-capacity aircraft market.

Further restructuring moves are seen as likely to occur in order to create a European regional manufacturing group with France's Aerospatiale and Italy's Alenia.

The emphasis on civil aviation markets — DASA is also carrying out its own study into a supersonic airliner — is comparatively recent. Until the end of the Cold War it seemed likely that the main focus would remain the military arena. This seems less likely now with clouds forming again over the Eurofighter project.

Military aircraft up to now have been seen as the main thrust of DASA's business. MBB is a 42.5 percent partner in the Tornado consortium and is also a leading producer of helicopters for the German armed forces as well as a range of overseas customers.

DASA is currently negotiating a prestige contract to upgrade NATO's fleet of 16 airborne warning and control system (AWACS) aircraft. But the future of military production

hinges on the fate of the Eurofighter project. Cracks are widening in the abortive compromise agreement reached at the end of 1992, when Britain, Italy and Spain persuaded Germany to carry on with the project by agreeing to slow down the rate of expenditure and defer the production phase for the aircraft.

A rider was added to the agreement, though, to the effect that work was to commence in time to meet the in-service date of those partners requiring first deliveries to their air forces at the end of the 1990s. While governments argue over the project's timetable, the first prototype flight has been postponed several times and is two years behind schedule.

The most immediate problem impeding progress is a 500 million Deutsche mark (\$312.5 million) shortfall in German government financing for the project this year. DASA has accused Defense Minister Volker Rübe of trying to shift the blame for the program's difficulties to industry after he said it had failed to adjust to a slowdown within the framework of existing contracts.

What is perceived as a lack of defense policy-making in Bonn has caused the DASA chairman, Jürgen Schremp, to warn: "We have reached the state of absolute unacceptability."

When DASA was formed, its directors envisaged that the civil area of production, led by Airbus work, would be secondary to military business. The reverse has proved to be the case, with the result that tentative plans to acquire 100 percent control of Deutsche Aerospace Airbus were brought forward.

The now fully owned company has become a principal profit center for DASA, employing 23,000 workers at 10 locations. Turnover in 1992 was 4.8 billion marks.

A major landmark for Deutsche Aerospace Airbus was the rollout in March this year of the new Airbus A321 from its final assembly line in Hamburg. The 186-seat aircraft is a stretched version of the successful A320, of which nearly 700 have been ordered from Airbus Industrie.

The significance of the rollout is that it represented not only the first Airbus aircraft but also the first large transport aircraft to be assembled in Germany since World War II.

The occasion was one of great national pride and the culmination of a long campaign by Germany to establish a final assembly operation on its home territory.

Robert Bailey

U.S. Bilateral Agreements Hit Worldwide Turbulence

By Ron Katz

LONDON — The U.S. government's bilateral air transport relations are in trouble. In May 1992, France renounced an agreement with the Americans that had been in place for 46 years, claiming that U.S. airlines were flooding the French market with too much capacity. The German government is under pressure from its national carrier Lufthansa to do the same, unless more restrictions can be agreed on capacity and on U.S. carriers' fifth-freedom rights (picking up passengers in a second country to fly to a third) out of Germany.

Other countries, including Canada and Japan, are also engaged in angry disputes with U.S. negotiators. And in the latest development, a quarrel between the United States and Australia escalated into an ugly confrontation when the Australian government ordered Northwest Airlines to cancel one of its thrice-weekly flights between New York, Osaka and Sydney, as of June 30. The United States retaliated by telling the Australians that if the order were carried out, Qantas would have had to cut three flights on its Sydney-to-Los Angeles route.

Bilateral tensions are not unusual in air transport, but the convergence of so many conflicts at the same time is virtually unprecedented. "Everyone is frustrated with the bilateral system," said Paul Greich, the director of the U.S. Department of Transportation's Office of International Aviation.

Observers believe that current tensions on the North Atlantic have three root causes: the continuing recession, the aggressive expansion of U.S. megacarriers into Europe, and a reassessment by American and European transport interests alike of the consequences of U.S. air transport deregulation.

Despite a 7 percent pickup in traffic growth in the first few months of 1993, growth in available capacity, fueled by the large fleet purchases of the mid-to-late 1980s, continues to outstrip air travel demand. As a consequence, the airlines' financial performance remains dismal; the 215 carriers grouped in the International Air Transport Association are expected to lose \$2 billion this year, on top of the \$1.5 billion in losses they sustained in 1990-1992. "In a financial environment like this, almost everyone turns protectionist," said one European airline executive.

On the North Atlantic, the problems of the recession were compounded by the replacement in 1991 of TWA and Pan Am as the major U.S. long-haul carriers by the three powerhouses, American Airlines, United and Delta. The consequences were instantaneous and dramatic: When Delta bought Pan Am's 22 trans-Atlantic destinations, including its Frankfurt hub, Delta's frequencies on the North Atlantic doubled overnight from 92 to 195 a week. American Airlines, which had only a handful of European services until its purchase of TWA's three main routes to London

Heathrow, expanded to operate 234 weekly flights on 27 routes between European and American cities.

It is not simply that the U.S. Big 3 were more powerful financially; they also had extensive domestic networks from which they could channel passengers onto European flights. Whereas Pan Am and TWA had relatively skimpy U.S. route systems, Delta could feed its trans-Atlantic services from more than 300 American cities. By contrast, the Europeans claim, U.S. prohibitions against cabotage (the right to fly and pick up passengers on domestic routes in another country) mean that European carriers cannot match the feed that U.S. carriers can call on.

The result has been a series of charges and countercharges — and destructive fare wars on several major trans-Atlantic routes. Europeans, led by Air France's chief executive, Bernard Attali, charge U.S. carriers with capacity and price dumping. Mr. Attali says that because the U.S. domestic market stagnated around 1987, U.S. airlines have been pushing cut-price services onto European routes, where cutthroat fare wars are dragging the airline industry into collective suicide. "The Americans counter that they have offered open-skies agreements to any European country that wants one."

One consequence of the standoff has been a rising demand by some European countries to reinstate capacity controls on the North Atlantic, where they have been largely absent for years.

ONE solution to the conflict may lie in the current round of bilateral talks, termed Bermuda 2, between the United States and Britain. Bermuda 2 limits the number of carriers that each party can designate on a particular route, and also limits capacity increases and fare initiatives.

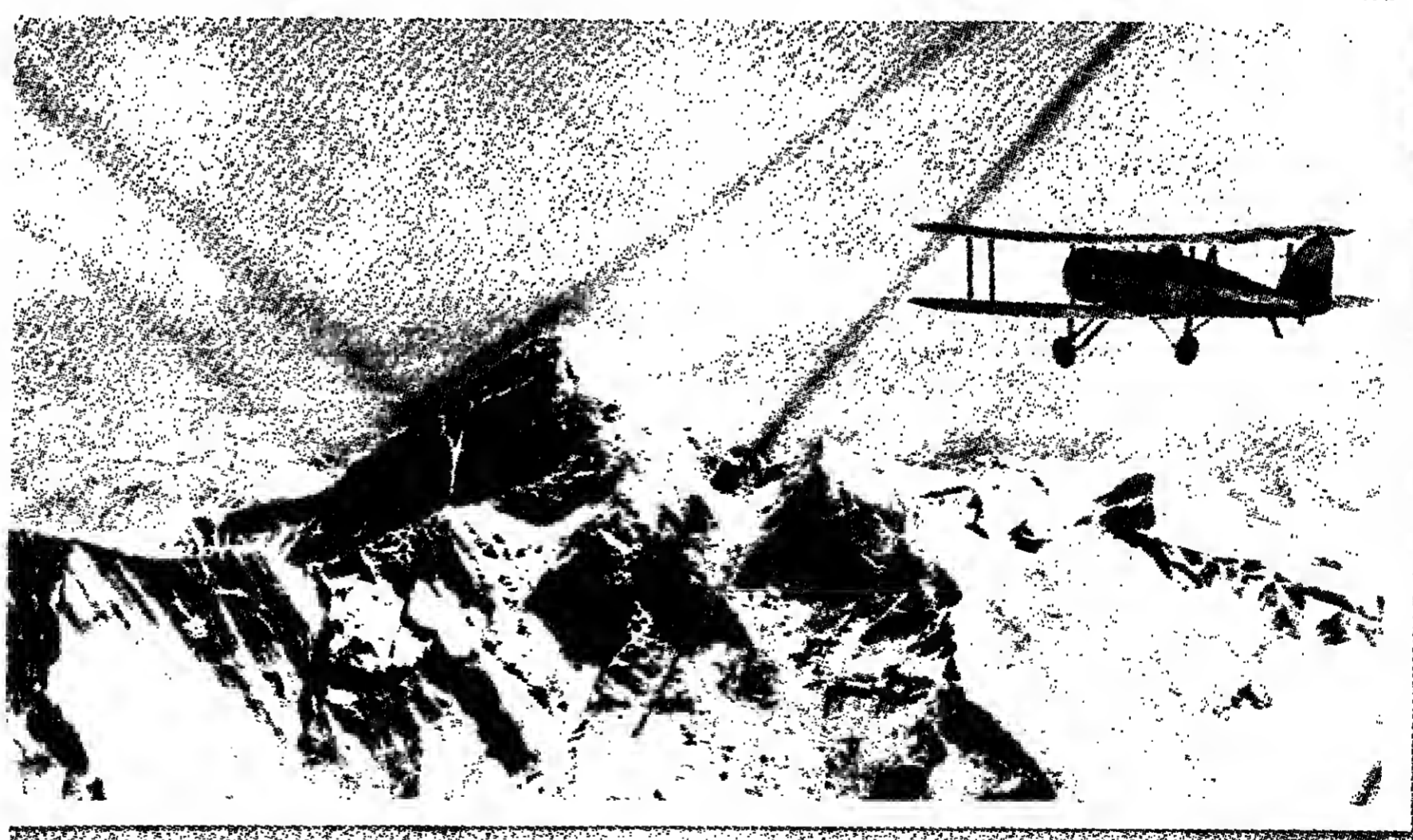
"Why won't the U.S. sign a similar agreement with France?" asks Mr. Attali. "We'd be delighted."

But in May, negotiations started up to amend Bermuda 2. Both the U.S. and U.K. transportation departments have ordered their negotiators to hammer out a more liberal agreement within a year.

Regardless of the outcome of Bermuda 2, a philosophical gulf will remain between the United States and its European allies. American spokesmen still insist that deregulation and market forces should be allowed to handle questions of capacity and price. "Carriers are bringing capacity into line with demand, not governments. This is as it should be," said James Tarrant, U.S. deputy assistant secretary of state for transportation affairs. To which Mr. Attali responds: "The market alone cannot be self-regulating in terms of capacity. This is evident for air transport where the product cannot be stocked and the supply is conditioned by aircraft orders made two or three years beforehand. For this reason, we must guide the market."

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ness Je
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The Marquis of Douglas and Clydesdale, and Flight Lieutenant D.F. McIntyre make the first flight over Mt. Everest (29,028 ft.) on 3rd April 1953

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Table with columns: High, Low, Open, Close, Change, Volume. Lists various stock prices and market activity.

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AIR: U.S.-Europe Subsidy Dispute Flares Again

Continued from Page 11
not paid their creditors in years—taking 70 percent of the bilateral traffic between France and the United States.
Mr. Ataul, too, said he would prefer having no agreement on the issue, rather than a bail agreement.

DASSAULT: Plans Cooperation on Fighter

Continued from Page 11
with the first delivery of 60 Mirage 2000 jets ordered by Taiwan last fall, and with sales of a new business jet, the Falcon 2000—should give a boost to Dassault's sales, which are expected to drop "around 20 percent" this year to around 11 billion francs (\$2 billion) from 14.5 billion francs in 1992.

Table with columns: Fund Name, Assets, YTD Return, 12-Month Return. Lists various international funds.

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For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.

Attali Faces His Board On Reform

Reforms

LONDON—Jacques Attali, the embattled chief of the European Bank for Reconstruction and Development, discussed proposals to reform the structure of the bank with its board of directors on Thursday, banking sources said.

They said the gathering was an initial meeting for the president and the directors to exchange ideas ahead of more formal proposals expected from Mr. Attali in the next few weeks.

The board is in the middle of a major inquiry into the bank's operations, particularly its lavish London headquarters. Mr. Attali's proposals were said to detail cost-cutting measures.

The United States, which holds 10 percent of the bank's shares, has recently made clear it would not regret Mr. Attali's departure from the bank. But, in a diplomatic move that left the ball in Europe's court, the U.S. Treasury secretary, Lloyd Bentsen, said he would leave the decision to the bank's European majority shareholders.

The bank was set up in 1991 to promote the transition to market economies in countries of the former Soviet bloc.

The U.S. Congress has refused to agree to spend \$70 million on the bank's latest subscription to the bank.

Ogling France's Sell-Off

Foreign Banks Seek Advisory Fees

By Jacques Neher
Special to the Herald Tribune

PARIS—Foreign investment banks expect to get their fair share of the business in France's multi-billion-dollar privatization program, but the government probably will not need them as much as it did in the last round of sell-offs seven years ago.

The program, which could raise 315 billion to 420 billion francs (\$60 billion to \$80 billion) in the next few years, will create a need for investment-banking services worth 8 billion francs or more.

These services cover such things as advising and evaluating the 21 companies to be sold off, advising the government on timing and pricing, and underwriting, managing and placing the issues with domestic and international investors.

A number of foreign investment banks and securities firms acknowledge that they are trying to get the Finance Ministry's ear, even though they refuse to call their discreet sales efforts lobbying.

In May, for example, Merrill Lynch hired as its "international adviser" Claude Piere-Brossolette, who headed both the French Treasury and Credit Lyonnais in the 1970s.

Other major foreign institutions have hired door-to-door salesmen.

Still, these institutions note that unlike in the first wave of privatizations, between 1986-88, government functionaries and their French banking advisers now understand the process and are not likely to draw on foreign experts if it can be avoided.

"In 1986, they were virgins in the privatization process and needed a lot of expertise," said Gérard Audouze, head of corporate finance for Ernst & Young in Paris. "Now, we are selling ideas just on some technical aspects."

Despite a strong cultural bias in France toward

U.K. Export Boom To Be Questioned In New Trade Data

Bloomberg Business View

LONDON—Trade figures to be released Friday are likely to call into question the export-led recovery that some economists have said is under way in Britain.

The reason is that, since December, the government has released figures only on Britain's trade with the Community, because of changes that were being made in the way the Community compiles its internal trade statistics.

Friday's figures, the first this year that will include trade with its Community partners, are widely expected to show that Britain, far from having an export boom, is buying more imports as its economy recovers, while having difficulty selling its goods on a Continent that is mired in recession.

Despite a 13 percent slide in the value of the pound since September, British exports are likely to prove "increasingly disappointing as the extent of the European recession becomes apparent," said Kate Barker, chief European economist for Ford Europe. "Imports haven't fallen as much as we'd hoped since the pound's devaluation," she added.

Analysts surveyed by MMS International estimated that Britain's trade gap had widened to \$4.4 billion (\$6.6 billion) in the first quarter of this year, from £3.7 billion in the fourth quarter of 1992. That would suggest a deficit of £1.3 billion in trade with the Community, about unchanged from the fourth quarter.

The EC abolished customs declarations on goods traded between member states Jan. 1, leaving officials without their traditional tool for compiling trade figures. That forced them to devise a system that links trade figures to value-added taxes. Trade data that have been compiled from these tax declarations will be released for the first time Friday.

Some economists still say sterling's depreciation and a related decline in wage costs per unit of production leave British companies well-positioned to compete.

A four-percentage-point decline in bank base lending rates since September and a 3 percent decline in unit wage costs in manufacturing, compared with an 11.5 percent rise in German wage costs, have boosted U.K. manufacturers' competitiveness against German firms by 30 percent, according to Ian Amstutz, economist at Bankers Trust.

While there is a clear risk of a big rise in the trade deficit this year, he said, the lower relative wage costs and other effects of the weaker pound will prevent a crisis.

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
180	300	200
170	280	180
160	260	160
150	240	140
140	220	120
130	200	100
120	180	80
110	160	60
100	140	40
90	120	20
80	100	0

Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	CBS Trend	107.30	107.00	+0.28
Brussels	Stock Index	6,150.15	6,137.25	+0.20
Frankfurt	DAX	Closed	1,873.07	
Frankfurt	FAZ		854.39	
Helsinki	HEX	1,322.72	1,308.19	+0.14
London	Financial Times 30	2,236.70	2,240.00	-0.06
London	FTSE 100	2,850.00	2,888.80	-0.24
Madrid	General Index	257.10	256.30	+0.31
Milan	MB	1,330.00	1,367.00	+1.17
Paris	CAC 40	1,911.22	1,915.23	-0.21
Stockholm	Allshareindexen	1,292.46	1,298.81	-0.09
Vienna	Stock Index	Closed	570.85	
Zurich	SBS	788.29	788.00	-0.09

Sources: Reuters, AFP
International Herald Tribune

Very briefly:

- British Telecom PLC has drawn more than 1 million registrants for the government's planned sale of shares; a further 2.4 million stockholders and employees will automatically be registered.
 - Volvo Auto Works hopes to sell more than 200,000 Lada cars in the European export market this year, almost a third of 1993 output.
 - George Wimpey PLC announced a £104 million (\$157 million) rights issue to finance an investment in the recovery of the building sector.
 - Fortis, which groups the activities of Groupe AG and AMEV NV, said first-quarter net profit had risen 14 percent, buoyed by exchange-rate fluctuations and the initial incorporation of some units.
 - Finsair Oy said it had recorded a loss after financial items for the year to March of 415 million markkaa (\$75 million), compared with a loss of 197 million markkaa in the previous year.
 - Bertelsmann AG said after-tax profit in the current year would considerably exceed the previous year, when it earned 569 million Deutsche marks (\$347 million).
 - Pilkington PLC said financial 1993 pretax earnings had fallen 57.5 percent, to £40.7 million, dragged lower by the world recession, particularly in the company's biggest market, Germany.
- AFP, Reuters, Bloomberg, AFX

LVMH Expects First-Half Dip

AFP-Excel News

PARIS — First-half profit at LVMH Moët-Hennessy Louis Vuitton will be lower than in the period a year earlier, Chairman Bernard Arnault said Thursday.

Mr. Arnault, speaking at the annual meeting, said profit was being cut by the economic situation, by lower returns on champagne and the weakness of the pound. He said the company hoped that profit for 1993 would equal that of 1992.

Sales for the five months to May were up 4.5 percent from a year earlier, he said. LVMH made a net profit of 1.29 billion francs (\$243 million) in the first half of 1992, with a full-year profit of 3 billion francs on sales of 21.65 billion.

Sales have been generally stagnant, he said.

New products should help the company's leather operations, and perfumes should see growth, boosted by the U.S. market, he said.

PRICES: What's the Fed to Do?

Continued from Page 11

view of a hard-line minority of Federal Reserve Board members and regional bank presidents, who sit on the Fed's policy-making Open Market Committee.

There's a wing of the open market committee that is looking for a reason to put on the brakes," said Robert Hall of Stanford University — a wing eager to drive inflation back below 2 percent.

In May the committee responded to three months' worth of data that implied producer prices were rising at a 4 percent to 5 percent pace by leading its "bias" toward raising short-term interest rates. And while the Fed chairman, Alan Greenspan, presumably remains reluctant to raise on Mr. Clinton's parade, the bias will probably translate into action if May inflation figures show more of same.

What makes this inclination to tighten credit in the absence of crystal-clear inflation signals even more problematic is that Congress

GATT: Balladur Will Not Bend

Continued from Page 11

EC partners on farm trade "is not going to be resolved in the immediate future," Sir Leon said. But he asserted that all sides had decided to try to reach an agreement on a package of tariff reductions in a broad range of goods and services, known as market access, among the Group of Seven nations by the July summit meeting in Tokyo.

Assuming that effort succeeds, the G-7 then would try to get the rest of the 111 GATT nations to sign onto the market-access package later this summer, then turn back to agriculture in wrapping up an overall Uruguay Round accord by the end of the year, Sir Leon said.

The hope is that France will not be willing to scupper a broad trade package, from which it stands to benefit in industrial goods and services, just because of its difficulties on agriculture, said an EC source who spoke on condition of ano-

Deutsche Bank Economist Predicts Rate Cuts July 1

Compiled by Our Staff From Dispatches

LONDON — The Bundesbank will cut its Lombard and discount rates at its policy-making council meeting in Leipzig on July 1, Deutsche Bank AG's chief economist predicted on Thursday.

The economist, Norbert Walter, said there would be a concerted downward movement in European interest rates ahead of the meeting of the Group of Seven industrial nations July 7-9 in Tokyo. He said the move would be led by the Dutch and French central banks, and that the Bundesbank would reduce key rates on July 1.

The Bundesbank's discount rate is now 7.25 percent and its Lombard rate is 8.5 percent.

Mr. Walter, speaking at a fund-management conference, did not specify the extent of the cuts he expects. But he forecast German money market rates of 5 percent in a year's time, with long-term rates of 6.5 percent.

Glenn Liddy, a German equities analyst at Kleinwort Benson Securities in London, said Thursday that German rates should be down by "around 200 basis points" or 2 percentage points by the end of the year. A cut of that size is "desperately needed," he said, because the economy is slowing so sharply.

Mr. Walter ruled out a devaluation of the Deutsche mark, saying it was hard to find any currencies that were candidates for revaluation against the mark.

(AFX, Bloomberg)

NASDAQ											
Symbol	High	Low	Open	Close	Change	Volume	High	Low	Open	Close	Change
IBM	125.00	124.00	124.50	124.50	-0.50	100000	125.00	124.00	124.50	124.50	-0.50
Microsoft	45.00	44.00	44.50	44.50	-0.50	50000	45.00	44.00	44.50	44.50	-0.50
Oracle	35.00	34.00	34.50	34.50	-0.50	30000	35.00	34.00	34.50	34.50	-0.50
Intel	25.00	24.00	24.50	24.50	-0.50	20000	25.00	24.00	24.50	24.50	-0.50
HP	15.00	14.00	14.50	14.50	-0.50	15000	15.00	14.00	14.50	14.50	-0.50
Motorola	10.00	9.00	9.50	9.50	-0.50	10000	10.00	9.00	9.50	9.50	-0.50
IBM	125.00	124.00	124.50	124.50	-0.50	100000	125.00	124.00	124.50	124.50	-0.50
Microsoft	45.00	44.00	44.50	44.50	-0.50	50000	45.00	44.00	44.50	44.50	-0.50
Oracle	35.00	34.00	34.50	34.50	-0.50	30000	35.00	34.00	34.50	34.50	-0.50
Intel	25.00	24.00	24.50	24.50	-0.50	20000	25.00	24.00	24.50	24.50	-0.50
HP	15.00	14.00	14.50	14.50	-0.50	15000	15.00	14.00	14.50	14.50	-0.50
Motorola	10.00	9.00	9.50	9.50	-0.50	10000	10.00	9.00	9.50	9.50	-0.50

NYSE

Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trading elsewhere. Via The Associated Press

(Continued)

High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE
114.70	114.50	IBM Corp	3.90	3.4%	16.5	114.70	114.50	IBM Corp	3.90	3.4%	16.5
114.50	114.30	IBM Corp	3.90	3.4%	16.5	114.50	114.30	IBM Corp	3.90	3.4%	16.5
114.30	114.10	IBM Corp	3.90	3.4%	16.5	114.30	114.10	IBM Corp	3.90	3.4%	16.5

High	Low	Stock	Div	Yield	PE	High	Low	Stock	Div	Yield	PE
114.70	114.50	IBM Corp	3.90	3.4%	16.5	114.70	114.50	IBM Corp	3.90	3.4%	16.5
114.50	114.30	IBM Corp	3.90	3.4%	16.5	114.50	114.30	IBM Corp	3.90	3.4%	16.5
114.30	114.10	IBM Corp	3.90	3.4%	16.5	114.30	114.10	IBM Corp	3.90	3.4%	16.5

AIR: U.S.-Europe Subsidy Dispute Flares Again

Continued from Page 11

not paid their creditors in years — taking 70 percent of the bilateral traffic between France and the United States.

Mr. Ataki, too, said he would prefer having no agreement on the issue, rather than a bad agreement.

Despite their rivalry, Airbus and Boeing continue to cooperate in a feasibility study on the building of a "superjumbo" jet that could carry at least 600 passengers as far as 8,000 miles (13,000 kilometers).

In a joint press conference, they said engine and airframe technology already exists to build this so-called Very Large Commercial Transport.

Jürgen Thomas of Deutsche Aerospace, the European program director for the project, and John Hayhurst, Boeing's director on it, said studies had identified a potential market for between 400 and 500 of the superjumbo aircraft.

The feasibility study is to end next January, after which a decision will be made on whether to proceed with the project. That timetable

could mean first deliveries would come around the turn of the century.

Mr. Hayhurst said Airbus had been sold about the project, but that it would be premature to speculate on whether the two rivals would be allowed to go ahead and jointly build the aircraft.

The feasibility study was authorized after it became clear to both Airbus and Boeing that the resources required to build such a large aircraft were probably beyond the means of any one company, given the limited market for it. The original plan envisioned an aircraft for as many as 800 passengers. The feasibility study has identified a need for an aircraft with about a 600-passenger capacity in a long three-class layout.

Both companies said they were keeping other options open. For Boeing, this means continued development of its 747 jumbo jets. Airbus is looking into the feasibility of stretching its new A-340 long-range airliner to carry as many as 550 passengers.

DASSAULT: Plans Cooperation on Fighters

Continued from Page 11

with the first delivery of 60 Mirage 2000 jets ordered by Taiwan last fall, and with sales of a new business jet, the Falcon 2000 — should give a boost to Dassault's sales, which are expected to drop "around 20 percent" this year to around 11 billion francs (\$2 billion), from 14.5 billion francs in 1992.

"Sales should hover around this level until 1995," said Mr. Edelsteine. He added that the

company had reduced costs and that it might be profitable this year, but "the guarantee is not absolute."

Dassault's development program on the Rafale is expected to run to 40 billion francs, while the development costs on the Eurofighter 2000 are budgeted at around 25.5 billion francs (\$5 billion).

The French state controls 46 percent of Dassault Aviation through various holding companies.

ADVERTISEMENT

INTERNATIONAL FUNDS

June 10, 1993

The principal symbols indicate frequency of quotations: daily (d), weekly (w), bi-weekly (bi), monthly (m), quarterly (q), semi-annually (sa), annually (a) - unless otherwise noted.

Symbol	Description	Price	Symbol	Description	Price
ABC INVESTMENT & SERVICES CO (ECC)	ABC INVESTMENT & SERVICES CO (ECC)	12.50	ABC INVESTMENT & SERVICES CO (ECC)	ABC INVESTMENT & SERVICES CO (ECC)	12.50
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OBSERVER

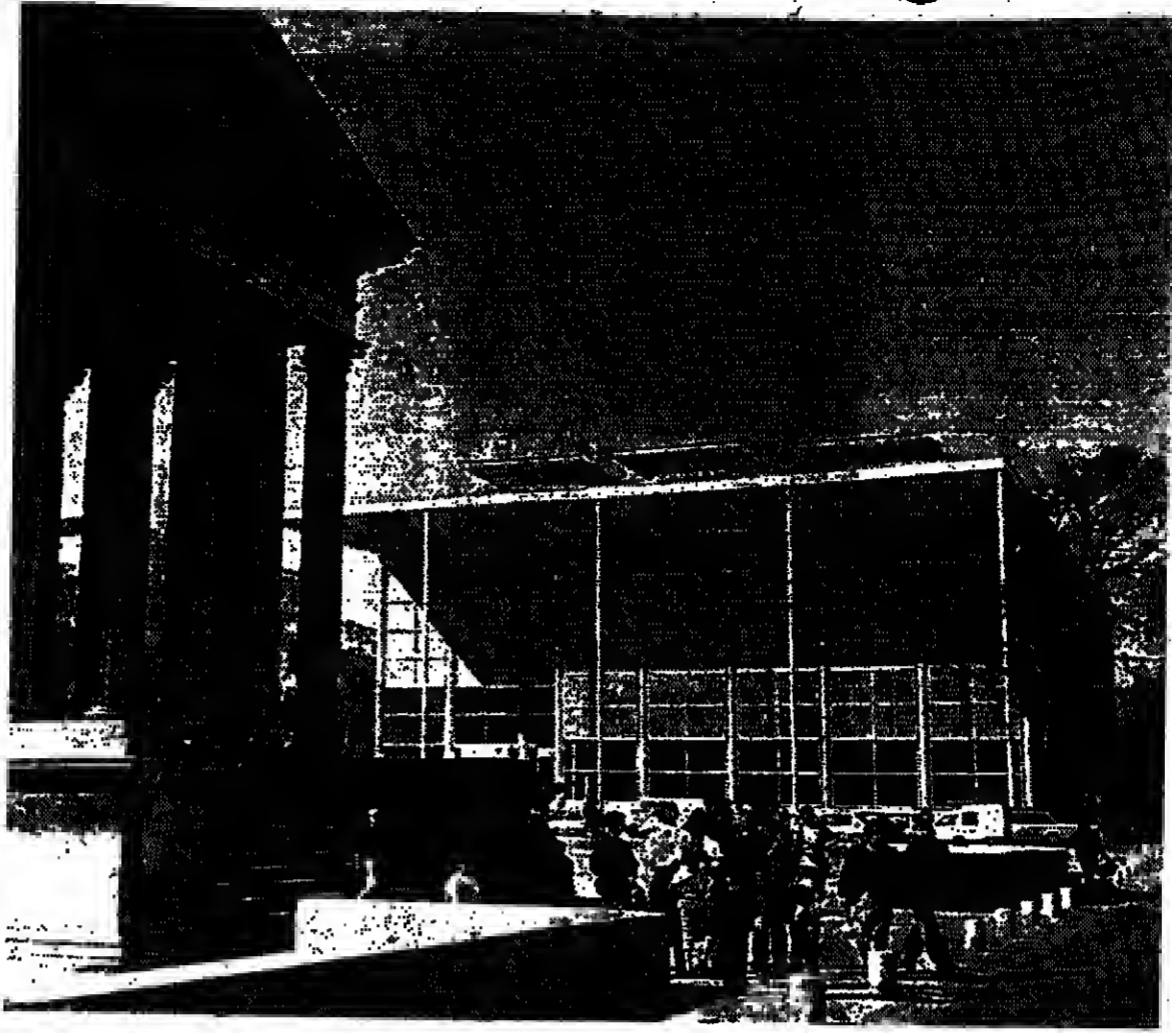
The Old Rugged '50s

By Russell Baker
NEW YORK — David Halberstam's new book about the 1950s—titled "The Fifties," believe it or not—makes them feel better with significance than they felt to me while they were still in progress.

Roman Temple Gets Modern Neighbor

By Marlise Simons
New York Times Service

NIMES, France — When Sir Norman Foster, the British architect, flew to the south of France a decade ago, he had one overriding question on his mind: What design would coexist with a Roman temple he saw as "one of the most beautiful buildings in the world?"



In Nimes, France, Sir Norman Foster has designed a cultural center of glass and steel to stand next to a Roman temple.

forum of old, the square has reverted to a pedestrian site, where the city plans open-air concerts and theater. Alongside, café tables are already taking the place of cars.

"The light in Nimes is extraordinary, and it changes all the time," Sir Norman said, stopping at outdoor terraces, fountains and the look over the mosaic of Nimes's red-tiled roofs.

and works on Protestantism and bullfighting. Le Monde said the new center did not surpass the standard minimalism of the 1960s.

PEOPLE

For Premiere Night, It's Washington, B.C.

The dinobuffs go to Washington: "Jurassic Park," Steven Spielberg's heavily hyped \$36 million dinosaur thriller, roared into Washington for its world premiere with all the subtlety of a Tyrannosaurus rex.

Woolly Allen and Mia Farrow were back in court, just two days after a judge found Allen to be an unfit parent.

Ivan Boesky has reached a settlement with his former wife, Seema, under which he will receive a lump payment of \$20 million, a house valued at \$2.5 million and more than \$2 million a year for life.

Otis Redding, Buddy Holly, Dinah Washington, Bill Haley, Ritchie Valens and Elvis Presley are helping move the U.S. Mail. The Legends of American Music, Rock and Roll and Rhythm and Blues 29-cent stamps are on sale.

INTERNATIONAL CLASSIFIED
Appears on Page 4, 8 & 17

WEATHER

Forecast for Saturday through Monday, as provided by Accu-Weather.

Table with weather forecasts for Europe, Asia, Africa, and Oceania, including high/low temperatures and conditions.



North America: Pleasant from New York City to Washington, D.C., over the weekend with a good amount of sunshine and comfortably warm afternoons.

Table with weather forecasts for Asia, Africa, and Latin America, including high/low temperatures and conditions.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to the puzzle of June 10.

A second crossword puzzle grid with clues for Across and Down.

If you're going to travel all over the map, here's how to call from almost any point on it.

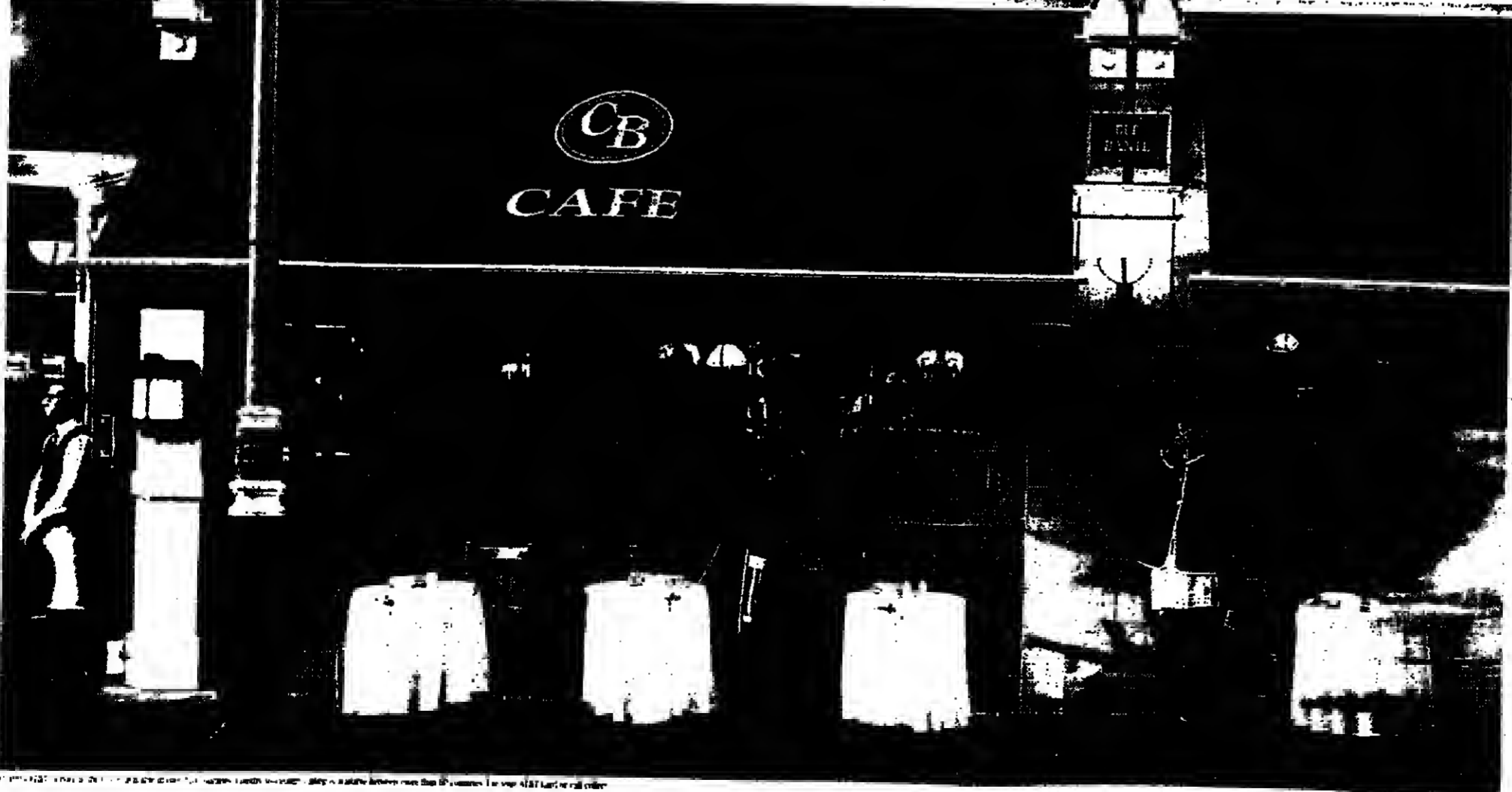


Table titled 'AT&T Access Numbers' listing international dialing codes for various countries like Andorra, Austria, Bahrain, etc.

AT&T puts the world at your fingertips. Just dial the AT&T access number of the country you're calling from for quick, clear connections back to the U.S. and lots of other countries.

Handwritten text in a box: 1111111111

SPORTS NBA FINAL

Canadiens Capture 24th Stanley Cup

In Montreal, Vandalism and Looting Follow 4-1 Victory Over Los Angeles

By Dave Sell... MONTREAL — Make it an even two dozen Stanley Cups for the Montreal Canadiens.

reason that the Canadiens' wanted history would play a role. "Maybe it motivates them," Gretzky said the other day.

I said to my wife before the playoffs started that I always wanted to go out on a high. Gretzky said "I think I've played as well as I can in the playoffs. I will sit back in the next few days, talk to my wife and decide my future."

Only Marty McSorley scored for the Kings. But it was a penalty on McSorley for using an illegal stick in Game 2 that many will point to as the turning point in this series.

The Canadiens needed overtime to win the preceding three games in this series, but no extra time was needed this time, and the boisterous, sellout crowd of 17,959 flooded out of the Forum onto Ste. Catherine Street to celebrate the franchise's 24th Stanley Cup.

After a turnover by the Kings, DiPietro beat goalie Kelly Hrudey for a 1-0 lead with 4:30 left in the first period. The Kings got even on McSorley's goal with 2:40 gone in the second period, but the lead lasted only 71 seconds, until Muller scored.



Scottie Pippen burned Mark West and the other Suns with 27 points, 9 rebounds and 5 assists.

Jordan and Pippen Put Bulls 1 Up on the Suns

By David Aldridge

PHOENIX — The Chicago Bulls came to the National Basketball Association's championship series ready to win their third straight title, and they set about doing it by wringing the home-court advantage from the Phoenix Suns.

"We were able to dominate the game and we were able to maintain the lead," Pippen said.

The Bulls didn't double-team Barkley as much as expected, for the most part leaving Grant alone on him. Barkley got a lot of shots in the lane, but he missed most of them.

They closed to four points on several occasions, and when Barkley made two free throws with 6:52 to go, it was 84-81.

They closed to four points on several occasions, and when Barkley made two free throws with 6:52 to go, it was 84-81. But the Bulls would always have an answer. Most of the time, it was Jordan or Pippen making a big play.

And Jordan also broke his 13-day boycott of the media, which began following allegations of big-money, late-night gambling in Atlantic City and segued into a report in a new book that he had lost \$1.2 million in golf bets.

Responding to growing suspicions that he has a gambling problem, Jordan said, "People are trying to make it seem like I have a problem. It's a hobby. I enjoy it. If I had a problem, I'd be hocking my watch, my championship rings, I'd sell my house."

Asked by Rashad whether a third straight championship might persuade him to leave this year, Jordan said, "Could be." But then he reversed field and said that news media scrutiny would play no role in his retirement.

SCOREBOARD

BASEBALL

Table with columns for Major League Baseball, American League, and National League, listing teams and scores.

HOCKEY

Table for Stanley Cup Finals showing Los Angeles Kings vs Montreal Canadiens.

BASKETBALL

Table for NBA Finals showing Chicago Bulls vs Phoenix Suns.

SOCCER

Table for Spanish Kings Cup and other soccer matches.

WEDNESDAY'S LINE SCORES

Table listing scores for various sports events on Wednesday.

Japanese Leagues

Table listing scores for Japanese baseball leagues.

CYCLING

Tour of Italy results and other cycling news.

TRANSACTIONS

Baseball transactions including player movements.

Escorts & Guides advertisement for BELGRAVIA, ORCHIDS, BELLE EPOCH, GENEVA INTL.

International Classified advertisement for ESCORTS & GUIDES, listing various services.

Escorts & Guides advertisement for LONDON & PARIS, listing travel services.

Large advertisement for INTERNATIONAL CLASSIFIED, featuring various services like AUTO RENTALS, BUSINESS SERVICES, and more.

OBSERVER

The Old Rugged '50s

By Russell Baker
NEW YORK — David Halberstam's new book about the 1950s...

that gang. But Karl Mundt? Was Karl Mundt necessary?
But back to Elvis, who did not appear as a shaper of American destiny...

When Elvis first came over the horizon I hadn't a guess that something really big was coming with him. In fact, I didn't even think of things as really big in that dim era. Just plain big was still good enough.

Later when there was the farce with Ed Sullivan — would Ed permit Elvis's pelvis to be photographed while wiggling? — they both seemed to have produced some much-needed social satire on a prim and dull society growl lead-in with Karl Mundt.

Roman Temple Gets Modern Neighbor

By Marise Simons
New York Times Service

NIMES, France — When Sir Norman Foster, the British architect, flew to the south of France a decade ago, he had one overriding question on his mind: What design would coexist with a Roman temple he saw as "one of the most beautiful buildings in the world"?

His answer, in glass and steel, is ready. Sir Norman's cultural center in Nimes is remarkable if only because it faces one of the world's oldest surviving Roman temples, among the most graceful of its kind.

The architect insists on talking about the temple because, he says, it was this sanctuary, built by Agrippa, the Roman military leader and statesman, a few years before Jesus' birth, that determined the shape of his modern building.

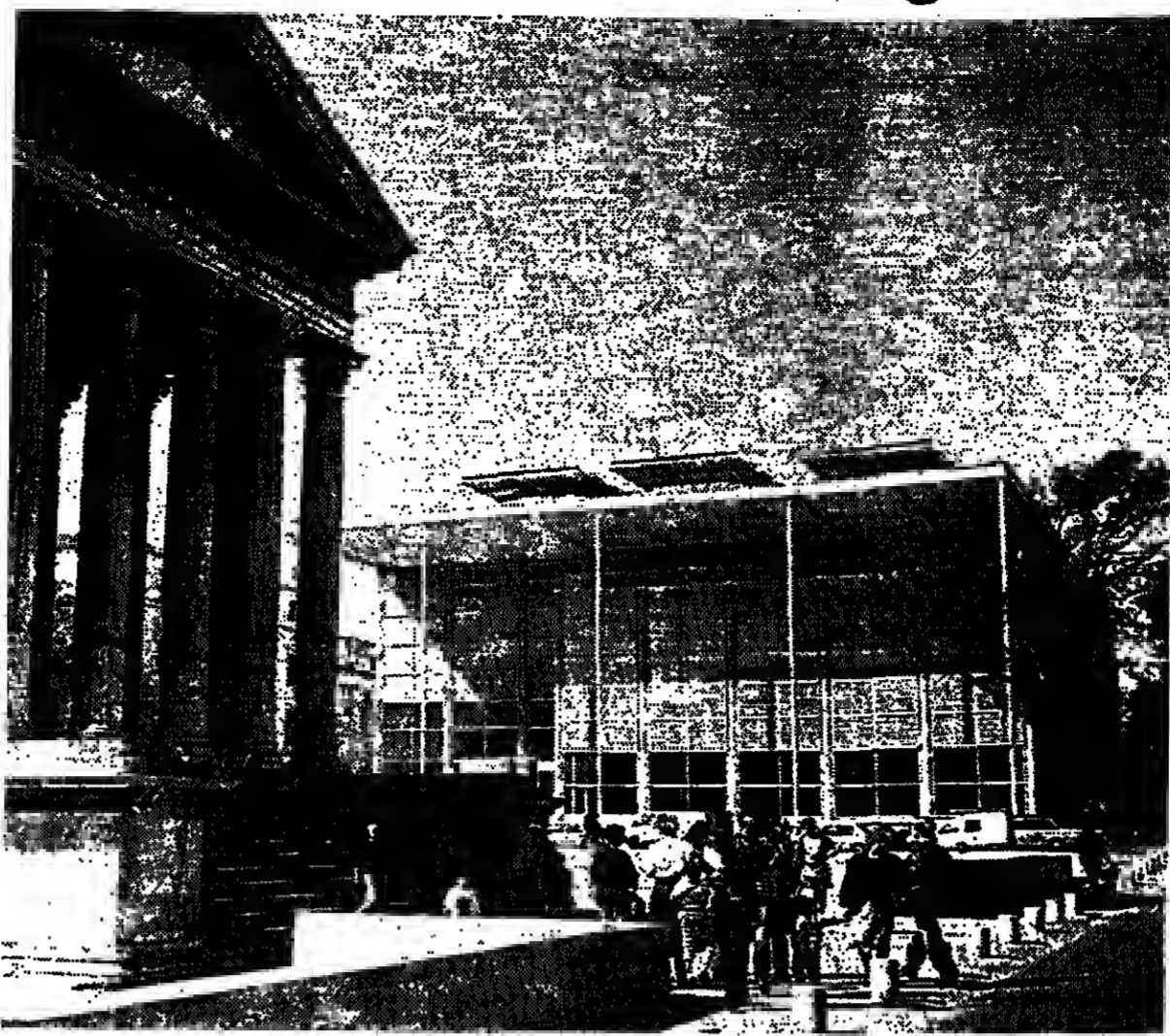
The cool and airy looking center, which opened on May 7, has visually shaken up the old heart of Nimes, a city used to heavier architecture embodied with history which features an intact and well-used Roman arena, Renaissance archways and passages, and classic French ornamental gardens.

To its British architect, who won France's first important international competition for a building outside Paris, it does much else. He wanted to extend its influence far beyond the site, a desolate parking lot where an opera house stood until it burned in 1952.

Sir Norman, who became well known in Europe for his sleek high-tech architecture and his daring combinations of old and new, lobbied until the mayor of Nimes let him work on the entire area: the scruffy square, the neglected 18th-century facades, the traffic jams. His job, he argued, was as much about urban planning as it was about architecture.

To keep the roof aligned with the neighboring buildings, the architect explained, half the nine-floor structure is underground. But light pours in through a glass roof over the central courtyard that reaches down to the bottom of the building.

Light even streams through the staircases and landings, which are made of thick glass, the first of their kind in France.



In Nimes, France, Sir Norman Foster has designed a cultural center of glass and steel to stand next to a Roman temple.

forum of old, the square has reverted to a pedestrian site, where the city plans opera and theater. Alongside, cafe tables are already taking the place of cars.

Sir Norman's luminous new building seems almost aloft. A large overhang along its front, leaning on a slender column, is intended to echo the portico of the Roman building.

Upper floors are galleries for the Museum of Contemporary Art, founded in 1985. Further down, sitting and reading rooms are dressed with furniture of French oak and anodized aluminum. Lower floors house the library and its 362,000 books. Nimes boasts an uncommonly large collection of medieval manuscripts

"The light in Nimes is extraordinary, and it changes all the time," Sir Norman said, stopping at outdoor terraces, fore and aft, that look over the mosaic of Nimes's red-tiled roofs. "This roof-level is perhaps my favorite," Sir Norman said. "We wanted very much to connect the inner building with the outside. The idea is to always know where you are, that you are in Nimes."

and works on Protestantism and bullfighting. Le Monde said the new center did not surpass the standard minimalism of the 1980s. "But one cannot ask a building to be at once invisible and charged with mystery and to be urbane as well as saucy." For the scale of Nimes, though, Le Monde said, "It is exemplary."

and works on Protestantism and bullfighting.

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Sir Norman continues to make his imprint around Europe. He is building a museum of prehistory in Verdun, France; converting old warehouses in the docks of Rotterdam and turning a coal-mine building into a museum in Essen, Germany. The new airport he designed for Hong Kong is one of the most ambitious architectural works in progress.

PEOPLE

For Premiere Night, It's Washington, B.C.

The dinobuffs go to Washington: "Jurassic Park." Steven Spielberg's heavily hyped \$56 million dinosaur thriller, reared into Washington for its world premiere with all the aplomb of a T. rex...

Woody Allen and Mia Farrow were back in court, just two days after a judge found Allen to be an unfit parent. Farrow, fresh from her victory in the custody battle over their three children, is trying to have Allen removed as the father of their two adopted children, Moses, 15, and daughter Dylan, 7. The third child is a biological son, Sachet, 5.

Ivan Boesky has reached a settlement with his former wife, Susan, under which he will receive a lump payment of \$20 million, a home valued at \$2.5 million and more than \$2 million a year for life. Boesky initially demanded at least half his wife's money, estimated at more than \$100 million. He pleaded guilty to insider trading in 1986, spent 22 months in prison and was required to pay a \$100 million fine.

Otis Redding, Buddy Holly, Dick Dale, and Eric Burdon are being moved to the U.S. Mail. The Legends of American Music, Rock and Roll and Rhythm and Blues 2-cent stamps are on sale.

INTERNATIONAL CLASSIFIED
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WEATHER

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Table with 4 columns: Location, Today, Tomorrow, and the day after. Lists cities like Atlanta, Boston, Chicago, etc.

Table with 4 columns: Location, Today, Tomorrow, and the day after. Lists cities like London, Paris, Rome, etc.

Table with 4 columns: Location, Today, Tomorrow, and the day after. Lists cities like Tokyo, Seoul, Taipei, etc.

Table with 4 columns: Location, Today, Tomorrow, and the day after. Lists cities like Mexico City, Lima, Bogota, etc.

Table with 4 columns: Location, Today, Tomorrow, and the day after. Lists cities like Buenos Aires, Santiago, Lima, etc.

Table with 4 columns: Location, Today, Tomorrow, and the day after. Lists cities like Los Angeles, San Francisco, New York, etc.

CROSSWORD

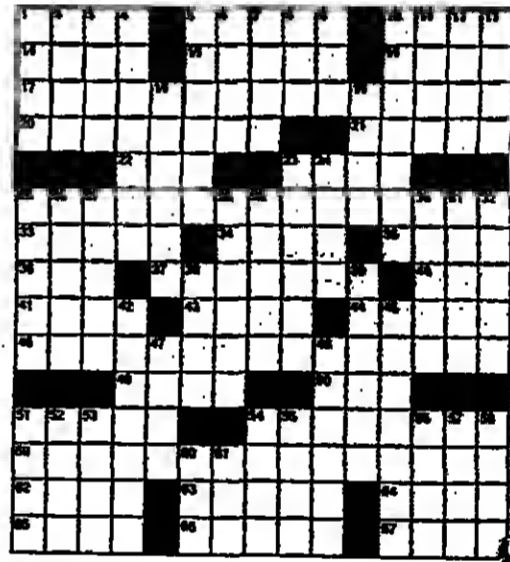
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- ACROSS
1 Carolina rail
5 Caliphs
10 Economist
14 Stole
15 Jolity
16 Trigonometric term
17 Banquet
18 Rationale
20 Airlines' customers
21 Fencing swords

- 22 Tin Woodsman's need
23 Tiff
25 Banquet messages
33 Knap — on (observe)
34 Tune for Tonkaid
35 CCXIV — II
36 M.Sc. or Ph.D.
37 The birds and the Bee Gees
40 Always, it posy

- 41 Reason d'—
43 Chemical suffixes
44 Knight's weapon
46 Some banquet speakers
49 Sonny
portrayer: 1972
50 TV commercials
51 Cockpit chief
54 Hardens, as fat
58 Banquet perils
62 Idealism
philosopher
63 Nimbi
64 Pace for a pony
65 A grandson of Adam
66 Parts of hammerheads
67 "— and
Lovers":
Lawrence

- 8 High spots, for short
9 Hush!
10 Germ free
11 Mode of conversation
12 Status quo —
13 Headland
14 Designs pressed into silk, e.g.
18 Substance
23 Most clever
24 "Tonight" show host of yore
25 V.M.L. student
26 — a customer
27 Luzzo's —
Point
28 Substance giving red wine an astringent taste
29 Eggs on
30 Bread bakers
31 Princess Anne, to Princess Margaret
32 Begrets
33 — Camera:
Van Drielen
34 Snow vehicle
42 Corvoys
45 Says yes
47 M. Hulot
portrayer



Solution to Puzzle of June 10



If you're going to travel all over the map, here's how to call from almost any point on it.

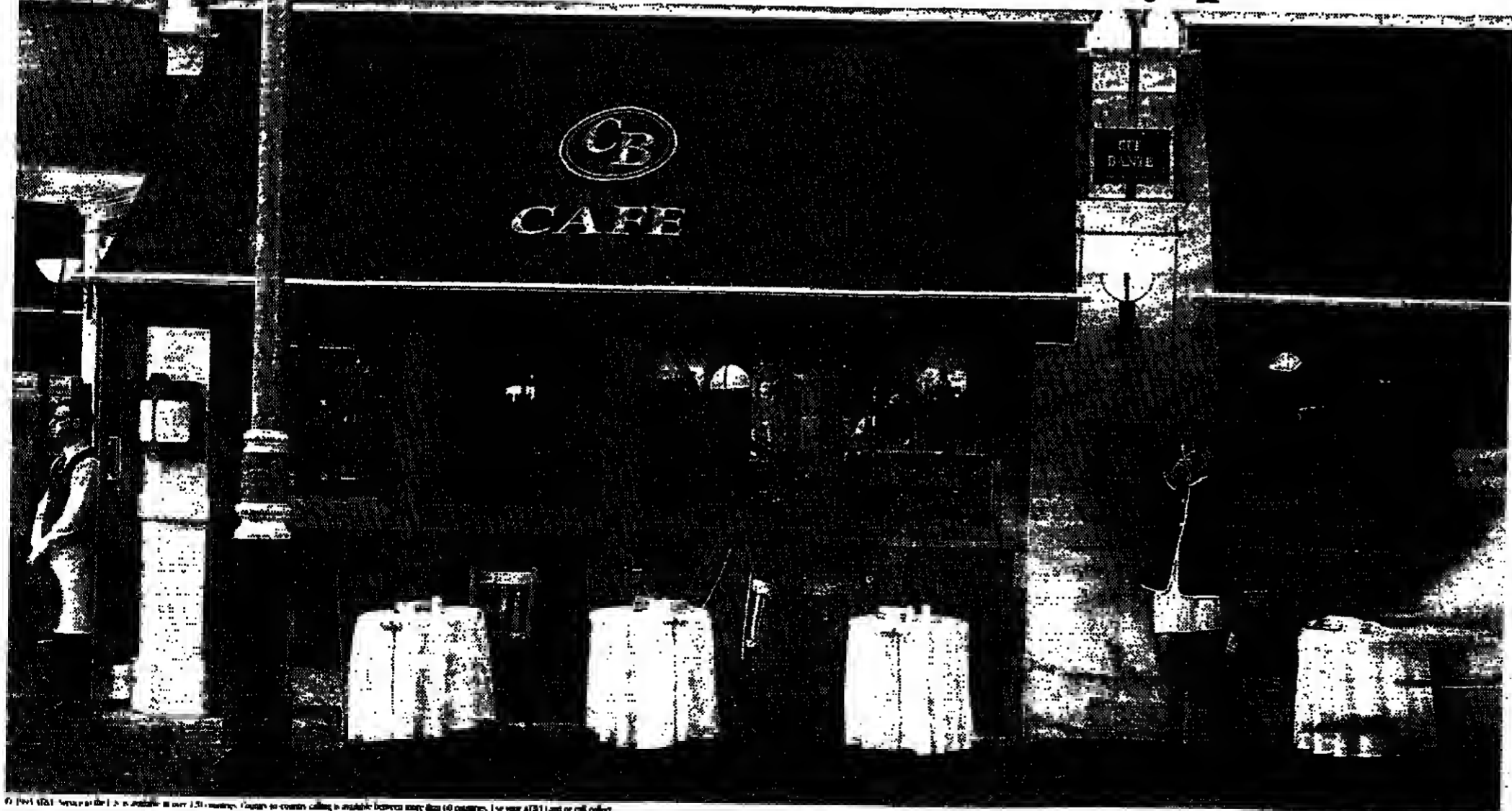


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AT&T puts the world at your fingertips. Just dial the AT&T access number of the country you're calling from for quick, clear connections back to the U.S. and lots of other countries. International calling made simple is all part of The i Plan from AT&T.

